

# BURGAN BANK A.Ş.

**PUBLICLY ANNOUNCED UNCONSOLIDATED FINANCIAL  
STATEMENTS, RELATED DISCLOSURES AND  
INDEPENDENT AUDITOR'S REVIEW REPORT THEREON  
AS OF AND FOR THE NINE MONTH PERIOD ENDED  
30 SEPTEMBER 2024**

*(CONVENIENCE TRANSLATION  
FINANCIAL STATEMENTS AND AUDITOR'S REVIEW REPORT  
ORIGINALLY ISSUED IN TURKISH)*

**Convenience Translation of the Review Report Originally Prepared and Issued in Turkish to English**

**Independent Auditor’s Report on Review of Interim Financial Information**

To the Board of Directors of Burgan Bank A.Ş.

*Introduction*

We have reviewed the accompanying unconsolidated balance sheet of Burgan Bank A.Ş. (“the Bank”) as at 30 September 2024 and the unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders’ equity, unconsolidated statement of cash flows for the nine month period then ended and notes, comprising a summary of significant accounting policies and other explanatory information. The Bank Management is responsible for the preparation and fair presentation of these unconsolidated interim financial information in accordance with the “Banking Regulation and Supervision Agency (“BRSA”) Accounting and Reporting Legislation” which includes “Regulation on Accounting Applications for Banks and Safeguarding of Documents” published in the Official Gazette No.26333 dated 1 November 2006, and other regulations on accounting records of banks published by Banking Regulation and Supervision Board and circulars and interpretations published by BRSA and the requirements of Turkish Accounting Standard 34 “Interim Financial Reporting” for the matters not regulated by the aforementioned legislations. Our responsibility is to express a conclusion on these unconsolidated interim financial information based on our review.

*Scope of Review*

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Basis for Qualified Conclusion*

As stated in Note 2.h.2.ii of Section Five, the accompanying unconsolidated interim financial information as at 30 September 2024 includes a free provision of TL 754,189 thousands, of which TL 554,781 thousands had been cancelled in current period and TL 1,308,970 thousand had been recognized as expense in prior periods which does not meet the requirements of BRSA Accounting and Reporting Legislation. This free provision is provided by the Bank management for the possible effects of the negative circumstances which may arise in economy or market conditions.

### *Qualified Conclusion*

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying unconsolidated interim financial information does not present fairly, in all material respects, the unconsolidated financial position of Burgan Bank A.Ş. as at 30 September 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the nine month period then ended in accordance with the BRSA Accounting and Reporting Legislation.

### *Report on Other Legal and Regulatory Requirements*

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information provided in the interim activity report included in section seven of the accompanying unconsolidated interim financial information is not consistent, in all material respects, with the reviewed unconsolidated interim financial information and explanatory notes.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Ebru Koçak, SMMM  
Partner

11 November 2024  
İstanbul, Turkey

**THE UNCONSOLIDATED NINE-MONTH FINANCIAL REPORT OF  
BURGAN BANK A.Ş. AS OF 30 SEPTEMBER 2024**

Address of the Bank's Head Office : Maslak Mahallesi, Eski Büyükdere Caddesi, No:13  
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The unconsolidated nine months financial report includes the following sections in accordance with the Communiqué on Financial Statements and Related Explanations and Notes that will be Publicly Announced as sanctioned by the Banking Regulation and Supervision Agency.

- **Section One** **GENERAL INFORMATION ABOUT THE BANK**
- **Section Two** **UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK**
- **Section Three** **EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD**
- **Section Four** **INFORMATION RELATED TO THE FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK**
- **Section Five** **EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS**
- **Section Six** **EXPLANATIONS ON THE LIMITED REVIEW REPORT**
- **Section Seven** **EXPLANATIONS ON INTERIM ACTIVITY REPORT**

The accompanying unconsolidated nine months financial statements and notes to these financial statements which are expressed, unless otherwise stated, in thousands of Turkish Lira ("TL"), have been prepared and presented based on the accounting books of the Bank in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards, and related appendices and interpretations of these, and have been reviewed.

11 November 2024

Emin Hakan EMİNSOY  
Chairman of the  
Board of Directors

Ali Murat DİNÇ  
Member of the Board of  
Directors and  
General Manager

Zeynep BOZKURT  
Deputy General Manager,  
Chief Financial Officer

Bahadır AKSU  
Head of Accounting,  
Tax and Reporting Unit

Hasan KILIÇ  
Head of the  
Audit Committee

Khaled F.A.O. ALZOUMAN  
Member of the  
Audit Committee

Moustapha CHAMI  
Member of the  
Audit Committee

Contact information of the personnel in charge of the addressing of questions about this financial report:

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**SECTION ONE**

**GENERAL INFORMATION ABOUT THE BANK**

**I. BANK'S FOUNDATION DATE, START-UP STATUTE, HISTORY ABOUT THE CHANGES IN THIS MENTIONED STATUTE:**

Tekfen Yatırım ve Finansman Bankası A.Ş. was established as an "investment bank" with the permission of the Council of Ministers No. 88/13253 on 26 August 1988 and authorised to conduct finance investment and foreign trade activities. Banking operations commenced on 7 August 1989.

Bank Ekspres A.Ş. ("Bank Ekspres") was established with the permission of the Council of Ministers in decision No. 91/2316 on 22 September 1991; "The Decree of Establishment Permission" was published in the Official Gazette numbered 21017 and dated 10 October 1991. The Articles of Association was published in the Trade Registry Gazette numbered 2969 and dated 18 February 1992. The Turkish Savings Deposit and Insurance Fund ("SDIF") took over the management of Bank Ekspres A.Ş. due to the poor fiscal structure of the bank on 23 October 1998.

According to the Share Transfer Agreement signed between the SDIF and Tekfen Holding A.Ş. on 30 June 2001, 2,983,800,000 shares with a nominal value of Kr 1 each and which amount to 99.46% of the capital of Bank Ekspres A.Ş. under the control of the SDIF in accordance with Banking Law were transferred to Tekfen Holding A.Ş.. Based on this agreement, the acquisition of Tekfen Yatırım ve Finansman Bankası A.Ş., where Tekfen Holding A.Ş. owns 57.69% of the Bank, by Bank Ekspres A.Ş. was permitted by the Banking Regulation and Supervision Agency's ("BRSA") decision numbered 489 dated 18 October 2001. The share transfers were realised on 26 October 2001 and the bank's name was changed to Tekfenbank Anonim Şirketi (the "Bank"), which had two main shareholders: Tekfen Holding A.Ş. with 57.30% and TST International S.A. with 40.62%.

EFG Eurobank Ergasias S.A. ("Eurobank EFG") and Tekfen Holding A.Ş. ("Tekfen Group") signed an agreement as of 8 May 2006, that anticipated Eurobank EFG to purchase Tekfen Group's 70% share in Tekfenbank A.Ş. and Tekfen Finansal Kiralama A.Ş. which is fully owned by Tekfenbank; where Tekfen Group retained its strategic partnership by keeping all remaining shares. On 23 February 2007, the sale of Tekfenbank A.Ş. to Eurobank EFG Holding (Luxembourg) S.A. ("Eurobank EFG Holding") was approved by the BRSA and the sale was completed after the share transfer on 16 March 2007.

Under the agreement regarding the sale of Eurobank Ergasias S.A.'s Turkey operations to Burgan Bank K.P.S.C. (formerly Burgan Bank S.A.K.), 70% of the bank shares belonging to Eurobank EFG Holding (Luxembourg) S.A. and 29.26% of the shares belonging to Tekfen Holding A.Ş. are bought by Burgan Bank K.P.S.C. 7 December 2012 in accordance with the Banking Regulation and Supervision Agency's authorization, and then 99,26% of the bank shares are turned over to Burgan Bank K.P.S.C in 21 December 2012.

At the Extraordinary Board of Directors meeting on 23 January 2013, the title of the bank has been decided to change from Eurobank Tekfen A.Ş. to Burgan Bank A.Ş., and has been registered to the Turkish Trade Registry as of 25 January 2013.

Burgan Bank K.P.S.C., which is the main shareholder with a share ratio of 99.41%, has completed the transfer transaction of its share corresponding to 52% of the Bank's capital to Al Rawabi United Holding K.S.C.C., obtaining necessary approvals from the Banking Regulation and Supervision Agency on 13 November 2023. Kuwait Projects Company K.S.C.P., the actual main shareholder of Burgan Bank K.P.S.C., also owns 99.99% of the shares of Al Rawabi United Holding Company K.S.C.C. Therefore, there has been no change in the ultimate ownership of Burgan Bank A.Ş., as Kuwait Projects Company K.S.C.P., the actual main shareholder of Burgan Bank K.P.S.C., holds 99.99% of the shares of Al Rawabi United Holding Company K.S.C.C.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**GENERAL INFORMATION ABOUT THE BANK (continued):****II. EXPLANATION ABOUT THE BANK'S CAPITAL STRUCTURE, SHAREHOLDERS OF THE BANK WHO ARE IN CHARGE OF THE MANAGEMENT AND/OR AUDITING OF THE BANK DIRECTLY OR INDIRECTLY, CHANGES IN THESE MATTERS (IF ANY) AND THE GROUP THE BANK BELONGS TO:**

The Bank's registered capital ceiling is TL 6 billion.

The Bank's capital amount to full TL 3,050,000,000.

In accordance with the Decision of the Board of Directors of the Bank dated 21 June 2023 and numbered 2023/22, the required permission was obtained from Banking Regulation and Supervision Agency regarding increasing the capital amounting to TL 2,655,500,000 by TL 6,000,000,000 to TL 394,500,000, being within the limit of registered capital ceiling amounting to TL 3,050,000,000, and it was notified that there is no objection for consummation of transactions regarding the capital increase. In this context, the capital amount provided by the shareholders were transferred to the paid-in capital account and it is registered and announced in the Turkish Trade Registry Gazette dated 13 December 2023 and numbered 10978.

Burgan Bank K.P.S.C., which is the main shareholder with a share ratio of 99.41%, has completed the transfer transaction of its share corresponding to 52% of the Bank's capital to Al Rawabi United Holding K.S.C.C., obtaining necessary approvals from the Banking Regulation and Supervision Agency on 13 November 2023. Kuwait Projects Company K.S.C.P., the actual main shareholder of Burgan Bank K.P.S.C., also owns 99.99% of the shares of Al Rawabi United Holding Company K.S.C.C. Therefore, there has been no change in the ultimate ownership of Burgan Bank A.Ş., as Kuwait Projects Company K.S.C.P., the actual main shareholder of Burgan Bank K.P.S.C., holds 99.99% of the shares of Al Rawabi United Holding Company K.S.C.C.

Founded in 1977, Burgan Bank K.P.S.C. as an affiliate of KIPCO Group (Kuwait Projects Company), one of the largest holding groups of the MENA region (Middle East and North Africa), is among the significant banking groups in the region. Besides Kuwait, Burgan Bank Group also operates as a main shareholder with its affiliate banks in Algeria (Gulf Bank Algeria), Iraq (Bank of Baghdad), and Tunisia (Tunis International Bank).

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**GENERAL INFORMATION ABOUT THE BANK (continued):****III. EXPLANATION ON THE BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, PRESIDENT AND EXECUTIVE VICE PRESIDENTS, CHANGES IN THESE MATTERS (IF ANY) AND SHARES OF THE BANK THEY POSSESS:**

<u>Title</u>	<u>Name</u>	<u>Responsibility</u>	<u>Education</u>
<b>Chairman of the Board of Directors:</b>	Emin Hakan Eminsoy	Chairman of Board of Directors	Undergraduate
<b>Board of Directors Members:</b>	Abdelkarim A. S. Kabariti	Deputy Chairman	Undergraduate
	Mehmet Alev Göçmez	Member	Graduate
	Khaled F.A.O. Alzouman	Member	Undergraduate
	Hasan Kılıç	Member	Undergraduate
	Fadhil M. GH. A. Abdullah	Member	Undergraduate
	Samer Abbouchi(*)	Member	Graduate
	Moustapha Chami	Member	Graduate
	Ali Murat Dinç	Member and General Manager	Graduate
<b>General Manager:</b>	Ali Murat Dinç	Member and General Manager	Graduate
<b>Deputy General Managers:</b>	Suat Kerem Sözügüzel	Corporate & Commercial Banking	Graduate
	Zeynep Bozkurt	Financial Affairs	Graduate
<b>Vice General Managers:</b>	Esra Aydın	Operations & Management Services	Graduate
	Cihan Vural	Internal Systems	Undergraduate
	Rasim Levent Ergin	Employee Experience and Communication	Graduate
	Suat Kerem Sözügüzel	Corporate & Commercial Banking	Graduate
	Banu Ertürk	Loans and Legal Follow-up	Undergraduate
	Darço Akkaranfil	Information Technologies	Graduate
	Zeynep Bozkurt	Financial Affairs	Graduate
	Ayşen Aslı Koçer	Savings Management	Undergraduate
	Yener Yazlalı	Loans	Graduate
	Halil Özcan	Digital Banking	Undergraduate
	Tuba Onay Ergelen	Risk Management	Undergraduate
	Erdal Arda Türerer	Treasury, Capital Markets and Financial Institutions	Graduate
<b>Audit Committee:</b>	Hasan Kılıç	Committee President	Undergraduate
	Khaled F.A.O. Alzouman	Member	Undergraduate
	Moustapha Chami	Member	Graduate

(\*) Samer Abbouchi assigned to the position of Board Member on 26 September 2024. Board Member Mohammad M.A.H.S. Almael resigned from his position on 24 September 2024.

There is no share of the above individuals in the Bank.



**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**GENERAL INFORMATION ABOUT THE BANK (continued):****IV. EXPLANATION ON SHAREHOLDERS HAVING CONTROL SHARES:**

Name/Commercial Title	Share Amounts	Share Percentage	Paid-in Capital	Unpaid Portion
Al Rawabi United Holding K.S.C.C.	1,586,000	52.00%	52.00%	-
Burgan Bank K.P.S.C.	1,446,061	47.41%	47.41%	-

Based on the Principal Agreement, the Bank has 1 million founder's shares. According to the Principal Agreement, after allocating 5% to legal reserves and distributing 5% of the paid in capital, 10% of distributable amount is distributed to the owners of the founder's shares.

**V. INFORMATION ON THE BANK'S SERVICE TYPE AND FIELD OF OPERATIONS:**

As of 30 September 2024, the Bank, whose headquarter located in Istanbul, has 28 branches operating in Turkey (31 December 2023: 29). The Bank's core business activities include corporate and commercial banking, retail banking and banking services in treasury fields. As of 30 September 2024, the Bank has 1,260 (31 December 2023: 1,104) employees.

**VI. CURRENT OR LIKELY ACTUAL OR LEGAL BARRIERS TO IMMEDIATE TRANSFER OF EQUITY OR REPAYMENT OF DEBTS BETWEEN THE PARENT BANK AND ITS SUBSIDIARIES:**

None.

## **SECTION TWO**

### **UNCONSOLIDATED FINANCIAL STATEMENTS OF THE BANK**

- I. Balance sheet (Statement of financial position)
- II. Off-balance sheet
- III. Statement of profit or loss
- IV. Statement of profit or loss and other comprehensive income
- V. Statement of changes in shareholders' equity
- VI. Statement of cash flows

**BURGAN BANK A.Ş.**  
**UNCONSOLIDATED BALANCE SHEETS (STATEMENT OF FINANCIAL POSITION)**  
**AS OF 30 SEPTEMBER 2024 AND 31 DECEMBER 2023**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

I. BALANCE SHEET	Note (Section Five)	Reviewed 30/09/2024			Audited 31/12/2023		
ASSETS		TL	FC	Total	TL	FC	Total
<b>I. FINANCIAL ASSETS (Net)</b>		<b>13,154,721</b>	<b>11,829,160</b>	<b>24,983,881</b>	<b>9,697,858</b>	<b>9,999,608</b>	<b>19,697,466</b>
<b>I.1 Cash and Cash Equivalents</b>		<b>5,128,244</b>	<b>6,372,006</b>	<b>11,500,250</b>	<b>4,427,730</b>	<b>7,392,082</b>	<b>11,819,812</b>
I.1.1 Cash and Balances at Central Bank	I-a	5,127,613	4,758,986	9,886,599	4,427,484	6,188,372	10,615,856
I.1.2 Banks	I-c	759	1,613,020	1,613,779	311	1,203,710	1,204,021
I.1.3 Receivables from Money Markets		-	-	-	-	-	-
I.1.4 Expected Credit Losses (-)		128	-	128	65	-	65
<b>I.2 Financial Assets at Fair Value Through Profit or Loss</b>	<b>I-b</b>	<b>689,236</b>	<b>1,582,740</b>	<b>2,271,976</b>	<b>751,410</b>	<b>64,784</b>	<b>816,194</b>
I.2.1 Public Debt Securities		349,470	591,668	941,138	1,493	64,784	66,277
I.2.2 Subordinated Debt Instruments		-	-	-	-	-	-
I.2.3 Other Financial Assets		339,766	991,072	1,330,838	749,917	-	749,917
<b>I.3 Financial Assets at Fair Value through Other Comprehensive Income</b>	<b>I-d</b>	<b>4,795,728</b>	<b>3,548,794</b>	<b>8,344,522</b>	<b>2,020,960</b>	<b>988,763</b>	<b>3,009,723</b>
I.3.1 Public Debt Securities		4,788,054	3,548,794	8,336,848	2,013,286	988,763	3,002,049
I.3.2 Subordinated Debt Instruments		7,674	-	7,674	7,674	-	7,674
I.3.3 Other Financial Assets		-	-	-	-	-	-
<b>I.4 Derivative Financial Assets</b>	<b>I-l</b>	<b>2,541,513</b>	<b>325,620</b>	<b>2,867,133</b>	<b>2,497,758</b>	<b>1,553,979</b>	<b>4,051,737</b>
I.4.1 Derivative Financial Assets at Fair Value Through Profit or Loss		530,430	101,065	631,495	1,071,826	438,866	1,510,692
I.4.2 Derivative Financial Assets at Fair Value Through Other Comprehensive Income		2,011,083	224,555	2,235,638	1,425,932	1,115,113	2,541,045
<b>II. FINANCIAL ASSETS MEASURED AT AMORTIZED COST (Net)</b>		<b>37,099,400</b>	<b>29,056,730</b>	<b>66,156,130</b>	<b>31,628,316</b>	<b>23,095,095</b>	<b>54,723,411</b>
<b>2.1 Loans</b>	<b>I-e-f</b>	<b>29,281,847</b>	<b>24,615,542</b>	<b>53,897,389</b>	<b>25,726,667</b>	<b>20,516,689</b>	<b>46,243,356</b>
<b>2.2 Receivables from Leasing Transactions</b>	<b>I-k</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2.3 Factoring Receivables</b>	<b>I-e</b>	<b>9,516</b>	<b>-</b>	<b>9,516</b>	<b>12,889</b>	<b>-</b>	<b>12,889</b>
<b>2.4 Other Financial Assets Measured at Amortized Cost</b>	<b>I-g</b>	<b>8,524,154</b>	<b>4,732,045</b>	<b>13,256,199</b>	<b>6,432,367</b>	<b>3,232,867</b>	<b>9,665,234</b>
2.4.1 Government Debt Securities		8,069,248	4,732,045	12,801,293	6,432,367	3,232,867	9,665,234
2.4.2 Other Financial Assets		454,906	-	454,906	-	-	-
<b>2.5 Expected Credit Losses (-)</b>	<b>I-e-f</b>	<b>716,117</b>	<b>290,857</b>	<b>1,006,974</b>	<b>543,607</b>	<b>654,461</b>	<b>1,198,068</b>
<b>III. NON-CURRENTS ASSETS OR DISPOSAL GROUPS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS (Net)</b>	<b>I-o</b>	<b>1,700,265</b>	<b>-</b>	<b>1,700,265</b>	<b>1,805,136</b>	<b>-</b>	<b>1,805,136</b>
3.1 Held for Sale		1,700,265	-	1,700,265	1,805,136	-	1,805,136
3.2 Held from Discontinued Operations		-	-	-	-	-	-
<b>IV. PARTNERSHIP INVESTMENTS</b>		<b>3,577,841</b>	<b>-</b>	<b>3,577,841</b>	<b>2,388,445</b>	<b>-</b>	<b>2,388,445</b>
<b>4.1 Associates (Net)</b>	<b>I-h</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.1.1 Associates Accounted by Using Equity Method		-	-	-	-	-	-
4.1.2 Non-Consolidated Associates		-	-	-	-	-	-
<b>4.2 Subsidiaries (Net)</b>	<b>I-i</b>	<b>3,577,841</b>	<b>-</b>	<b>3,577,841</b>	<b>2,388,445</b>	<b>-</b>	<b>2,388,445</b>
4.2.1 Non-Consolidated Financial Subsidiaries		3,577,841	-	3,577,841	2,388,445	-	2,388,445
4.2.2 Non-Consolidated Non-Financial Subsidiaries		-	-	-	-	-	-
<b>4.3 Jointly Controlled Partnerships (Joint Ventures) (Net)</b>	<b>I-j</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.3.1 Jointly Controlled Partnerships Accounted by Using Equity Method		-	-	-	-	-	-
4.3.2 Non-Consolidated Jointly Controlled Partnerships		-	-	-	-	-	-
<b>V. TANGIBLE ASSETS (Net)</b>		<b>518,040</b>	<b>-</b>	<b>518,040</b>	<b>455,412</b>	<b>-</b>	<b>455,412</b>
<b>VI. INTANGIBLE ASSETS (Net)</b>		<b>198,789</b>	<b>-</b>	<b>198,789</b>	<b>150,123</b>	<b>-</b>	<b>150,123</b>
6.1 Goodwill		-	-	-	-	-	-
6.2 Other		198,789	-	198,789	150,123	-	150,123
<b>VII. INVESTMENT PROPERTIES (Net)</b>	<b>I-m</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. CURRENT TAX ASSET</b>		<b>175,009</b>	<b>-</b>	<b>175,009</b>	<b>32,976</b>	<b>-</b>	<b>32,976</b>
<b>IX. DEFERRED TAX ASSET</b>	<b>I-n</b>	<b>32,614</b>	<b>-</b>	<b>32,614</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. OTHER ASSETS (Net)</b>	<b>I-p</b>	<b>3,099,616</b>	<b>326,839</b>	<b>3,426,455</b>	<b>957,835</b>	<b>230,743</b>	<b>1,188,578</b>
<b>TOTAL ASSETS</b>		<b>59,556,295</b>	<b>41,212,729</b>	<b>100,769,024</b>	<b>47,116,101</b>	<b>33,325,446</b>	<b>80,441,547</b>

The accompanying explanations and notes form an integral part of these financial statements.

**BURGAN BANK A.Ş.**  
**UNCONSOLIDATED BALANCE SHEETS (STATEMENT OF FINANCIAL POSITION)**  
**AS OF 30 SEPTEMBER 2024 AND 31 DECEMBER 2023**  
(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

I. BALANCE SHEET	Note (Section Five)	Reviewed 30/09/2024			Audited 31/12/2023		
LIABILITIES		TL	FC	Total	TL	FC	Total
<b>I. DEPOSITS</b>	<b>II-a</b>	<b>33,809,742</b>	<b>11,864,524</b>	<b>45,674,266</b>	<b>25,508,650</b>	<b>15,170,115</b>	<b>40,678,765</b>
<b>II. LOANS RECEIVED</b>	<b>II-c</b>	<b>346,168</b>	<b>24,885,456</b>	<b>25,231,624</b>	<b>10,555</b>	<b>12,627,772</b>	<b>12,638,327</b>
<b>III. MONEY MARKET FUNDS</b>		<b>2,253,574</b>	<b>3,259,042</b>	<b>5,512,616</b>	<b>1,693,523</b>	<b>2,734,906</b>	<b>4,428,429</b>
<b>IV. MARKETABLE SECURITIES (Net)</b>	<b>II-d</b>	-	-	-	-	-	-
4.1 Bills		-	-	-	-	-	-
4.2 Asset Backed Securities		-	-	-	-	-	-
4.3 Bonds		-	-	-	-	-	-
<b>V. FUNDS</b>		-	-	-	-	-	-
5.1 Borrower Funds		-	-	-	-	-	-
5.2 Other		-	-	-	-	-	-
<b>VI. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>II-b</b>	-	-	-	-	-	-
<b>VII. DERIVATIVE FINANCIAL LIABILITIES</b>	<b>II-g</b>	<b>1,397,851</b>	<b>154,097</b>	<b>1,551,948</b>	<b>1,669,082</b>	<b>663,789</b>	<b>2,332,871</b>
7.1 Derivative Financial Liabilities at Fair Value Through Profit or Loss		595,931	93,810	689,741	975,647	424,525	1,400,172
7.2 Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		801,920	60,287	862,207	693,435	239,264	932,699
<b>VIII. FACTORING PAYABLES</b>		-	-	-	-	-	-
<b>IX. LEASE PAYABLES (Net)</b>	<b>II-f</b>	<b>129,979</b>	-	<b>129,979</b>	<b>93,936</b>	-	<b>93,936</b>
<b>X. PROVISIONS</b>	<b>II-h</b>	<b>1,207,922</b>	<b>20,566</b>	<b>1,228,488</b>	<b>1,092,244</b>	<b>600,969</b>	<b>1,693,213</b>
10.1 Provision for Restructuring		-	-	-	-	-	-
10.2 Reserves for Employee Benefits		397,337	-	397,337	323,297	-	323,297
10.3 Insurance Technical Reserves (Net)		-	-	-	-	-	-
10.4 Other Provisions		810,585	20,566	831,151	768,947	600,969	1,369,916
<b>XI. CURRENT TAX LIABILITIES</b>	<b>II-i</b>	<b>270,564</b>	-	<b>270,564</b>	<b>164,745</b>	-	<b>164,745</b>
<b>XII. DEFERRED TAX LIABILITIES</b>	<b>II-i</b>	-	-	-	<b>453,518</b>	-	<b>453,518</b>
<b>XIII. LIABILITIES RELATED TO NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Net)</b>	<b>II-j</b>	-	-	-	-	-	-
13.1 Held for Sale		-	-	-	-	-	-
13.2 Related to Discontinued Operations		-	-	-	-	-	-
<b>XIV. SUBORDINATED DEBT</b>	<b>II-k</b>	-	<b>6,888,147</b>	<b>6,888,147</b>	-	<b>5,943,105</b>	<b>5,943,105</b>
14.1 Loans		-	6,888,147	6,888,147	-	5,943,105	5,943,105
14.2 Other Debt Instruments		-	-	-	-	-	-
<b>XV. OTHER LIABILITIES</b>	<b>II-e</b>	<b>2,577,654</b>	<b>2,120,552</b>	<b>4,698,206</b>	<b>1,094,059</b>	<b>3,530,902</b>	<b>4,624,961</b>
<b>XVI. SHAREHOLDERS' EQUITY</b>	<b>II-l</b>	<b>9,385,014</b>	<b>198,172</b>	<b>9,583,186</b>	<b>6,813,303</b>	<b>576,374</b>	<b>7,389,677</b>
16.1 Paid-in Capital		3,050,000	-	3,050,000	3,050,000	-	3,050,000
16.2 Capital Reserves		(6,321)	-	(6,321)	(6,321)	-	(6,321)
16.2.1 Equity Share Premiums		-	-	-	-	-	-
16.2.2 Share Cancellation Profits		-	-	-	-	-	-
16.2.3 Other Capital Reserves		(6,321)	-	(6,321)	(6,321)	-	(6,321)
16.3 Other Accumulated Comprehensive Income That Will not be Reclassified in Profit or Loss		45,044	-	45,044	45,044	-	45,044
16.4 Other Accumulated Comprehensive Income That Will be Reclassified in Profit or Loss		(18,055)	198,172	180,117	(88,058)	576,374	488,316
16.5 Profit Reserves		3,668,075	-	3,668,075	1,252,334	-	1,252,334
16.5.1 Legal Reserves		167,239	-	167,239	46,452	-	46,452
16.5.2 Statutory Reserves		-	-	-	-	-	-
16.5.3 Extraordinary Reserves		3,500,731	-	3,500,731	1,205,777	-	1,205,777
16.5.4 Other Profit Reserves		105	-	105	105	-	105
16.6 Profit or Loss		2,646,271	-	2,646,271	2,560,304	-	2,560,304
16.6.1 Prior Years' Profit or Losses		144,563	-	144,563	-	-	-
16.6.2 Current Period Net Profit or Loss		2,501,708	-	2,501,708	2,560,304	-	2,560,304
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>51,378,468</b>	<b>49,390,556</b>	<b>100,769,024</b>	<b>38,593,615</b>	<b>41,847,932</b>	<b>80,441,547</b>

The accompanying explanations and notes form an integral part of these financial statements.

**BURGAN BANK A.Ş.**  
**UNCONSOLIDATED OFF-BALANCE SHEET COMMITMENTS**  
**AS OF 30 SEPTEMBER 2024 AND 31 DECEMBER 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

II. OFF-BALANCE SHEET	Note (Section Five)	Reviewed 30/09/2024			Audited 31/12/2023		
		TL	FC	Total	TL	FC	Total
<b>A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>53,013,270</b>	<b>78,473,097</b>	<b>131,486,367</b>	<b>44,864,757</b>	<b>89,285,441</b>	<b>134,150,198</b>
<b>I. GUARANTEES AND WARRANTIES</b>	<b>III-a-2-3</b>	<b>11,709,654</b>	<b>9,874,043</b>	<b>21,583,697</b>	<b>8,431,713</b>	<b>6,236,042</b>	<b>14,667,755</b>
1.1. Letters of Guarantee		8,110,654	2,513,984	10,624,638	6,059,424	1,876,876	7,936,300
1.1.1. Guarantees Subject to State Tender Law		11,594	2,787	14,381	20,225	1,241	21,466
1.1.2. Guarantees Given for Foreign Trade Operations		-	-	-	-	-	-
1.1.3. Other Letters of Guarantee		8,099,060	2,511,197	10,610,257	6,039,199	1,875,635	7,914,834
1.2. Bank Loans		27,700	4,037	31,737	75,030	27,242	102,272
1.2.1. Import Letter of Acceptance		27,700	4,037	31,737	75,030	27,242	102,272
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	7,274,549	7,274,549	166,509	3,627,573	3,794,082
1.3.1. Documentary Letters of Credit		-	7,274,549	7,274,549	166,509	3,627,573	3,794,082
1.3.2. Other Letters of Credit		-	-	-	-	-	-
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of the Republic of Turkey		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Securities Issue Purchase Guarantees		-	-	-	-	-	-
1.7. Factoring Guarantees		-	-	-	-	-	-
1.8. Other Guarantees		3,571,300	81,473	3,652,773	2,130,750	704,351	2,835,101
1.9. Other Collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	<b>III-a-1</b>	<b>1,696,423</b>	<b>3,884,703</b>	<b>5,581,126</b>	<b>772,296</b>	<b>575,825</b>	<b>1,348,121</b>
2.1. Irrevocable Commitments		1,696,423	3,884,703	5,581,126	772,296	575,825	1,348,121
2.1.1. Asset Purchase Commitments		150,074	3,884,703	4,034,777	159,580	575,825	735,405
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Commitments for Loan Limits		1,285,520	-	1,285,520	397,903	-	397,903
2.1.5. Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheques		182,229	-	182,229	141,403	-	141,403
2.1.8. Tax and Fund Liabilities from Export Commitments		-	-	-	-	-	-
2.1.9. Commitments for Credit Card Limits		195	-	195	-	-	-
2.1.10. Promotion Commitments for Credit Cards and Banking Services		-	-	-	-	-	-
2.1.11. Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12. Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		78,405	-	78,405	73,410	-	73,410
2.2. Revocable Commitments		-	-	-	-	-	-
2.2.1. Revocable Commitments for Loan Limits		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>39,607,193</b>	<b>64,714,351</b>	<b>104,321,544</b>	<b>35,660,748</b>	<b>82,473,574</b>	<b>118,134,322</b>
3.1. Hedging Derivative Financial Instruments		18,451,346	20,753,917	39,205,263	10,097,042	31,085,144	41,182,186
3.1.1. Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2. Transactions for Cash Flow Hedge		18,451,346	20,753,917	39,205,263	10,097,042	31,085,144	41,182,186
3.1.3. Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2. Trading Derivative Financial Instruments		21,155,847	43,960,434	65,116,281	25,563,706	51,388,430	76,952,136
3.2.1. Forward Foreign Currency Buy/Sell Transactions		4,895,634	4,123,424	9,019,058	874,284	903,651	1,777,935
3.2.1.1. Forward Foreign Currency Transactions-Buy		1,269,727	2,959,046	4,228,773	874,284	50,157	924,441
3.2.1.2. Forward Foreign Currency Transactions-Sell		3,625,907	1,164,378	4,790,285	-	853,494	853,494
3.2.2. Swap Transactions Related to Foreign Currency and Interest Rates		8,990,505	23,973,577	32,964,082	23,119,642	45,105,816	68,225,458
3.2.2.1. Foreign Currency Swap-Buy		2,667,930	11,036,051	13,703,981	6,849,120	24,575,434	31,424,554
3.2.2.2. Foreign Currency Swap-Sell		2,822,575	11,054,488	13,877,063	15,870,522	15,808,758	31,679,280
3.2.2.3. Interest Rate Swap-Buy		1,750,000	941,519	2,691,519	200,000	2,360,812	2,560,812
3.2.2.4. Interest Rate Swap-Sell		1,750,000	941,519	2,691,519	200,000	2,360,812	2,560,812
3.2.3. Foreign Currency, Interest Rate and Securities Options		435,186	10,159,426	10,594,612	-	3,871,728	3,871,728
3.2.3.1. Foreign Currency Options-Buy		233,760	5,055,250	5,289,010	-	1,929,671	1,929,671
3.2.3.2. Foreign Currency Options-Sell		201,426	5,104,176	5,305,602	-	1,942,057	1,942,057
3.2.3.3. Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4. Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5. Securities Options-Buy		-	-	-	-	-	-
3.2.3.6. Securities Options-Sell		-	-	-	-	-	-
3.2.4. Foreign Currency Futures		6,834,522	5,704,007	12,538,529	1,569,780	1,507,235	3,077,015
3.2.4.1. Foreign Currency Futures-Buy		1,594,030	4,491,415	6,085,445	1,172,958	385,640	1,558,598
3.2.4.2. Foreign Currency Futures-Sell		5,240,492	1,212,592	6,453,084	396,822	1,121,595	1,518,417
3.2.5. Interest Rate Futures		-	-	-	-	-	-
3.2.5.1. Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2. Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>		<b>182,872,121</b>	<b>542,589,575</b>	<b>725,461,696</b>	<b>168,211,880</b>	<b>484,218,224</b>	<b>652,430,104</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>14,248,370</b>	<b>19,223,999</b>	<b>33,472,369</b>	<b>7,974,149</b>	<b>11,772,077</b>	<b>19,746,226</b>
4.1. Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2. Investment Securities Held in Custody		5,152,714	19,054,988	24,207,702	1,434,779	11,636,109	13,070,888
4.3. Cheques Received for Collection		5,465,526	111,477	5,577,003	4,340,209	109,771	4,449,980
4.4. Commercial Notes Received for Collection		38,830	30,655	69,485	25,411	26,197	51,608
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		3,591,300	26,879	3,618,179	2,173,750	-	2,173,750
4.8. Custodians		-	-	-	-	-	-
<b>V. PLEDGES RECEIVED</b>		<b>166,970,788</b>	<b>523,365,576</b>	<b>690,336,364</b>	<b>160,029,531</b>	<b>472,446,147</b>	<b>632,475,678</b>
5.1. Marketable Securities		681,605	-	681,605	893,581	-	893,581
5.2. Guarantee Notes		37,886,542	95,373,821	133,260,363	31,306,099	84,482,296	115,788,395
5.3. Commodity		12,562,046	3,491,586	16,053,632	8,566,884	2,633,834	11,200,718
5.4. Warranty		-	-	-	-	-	-
5.5. Immovable		109,545,562	410,853,397	520,398,959	113,914,927	373,215,380	487,130,307
5.6. Other Pledged Items		6,295,033	13,646,772	19,941,805	5,348,040	12,114,637	17,462,677
5.7. Pledged Items-Depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>1,652,963</b>	<b>-</b>	<b>1,652,963</b>	<b>208,200</b>	<b>-</b>	<b>208,200</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>		<b>235,885,391</b>	<b>621,062,672</b>	<b>856,948,063</b>	<b>213,076,637</b>	<b>573,503,665</b>	<b>786,580,302</b>

The accompanying explanations and notes form an integral part of these financial statements

**BURGAN BANK A.Ş.**  
**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE PERIODS ENDED 30 SEPTEMBER 2024 AND 30 SEPTEMBER 2023**  
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

III.	STATEMENT OF PROFIT OR LOSS	Note	Reviewed	Reviewed	Reviewed	Reviewed
	INCOME AND EXPENSE ITEMS	(Section Five)	01/01/2024-30/09/2024	01/01/2023-30/09/2023	01/07/2024-30/09/2024	01/07/2023-30/09/2023
<b>I.</b>	<b>INTEREST INCOME</b>	<b>IV-a</b>	<b>21,047,599</b>	<b>6,627,416</b>	<b>7,424,123</b>	<b>3,006,062</b>
1.1	Interest on Loans		9,902,885	3,151,312	3,482,779	1,375,138
1.2	Interest Received from Reserve Deposits		359,385	268	241,359	195
1.3	Interest Received from Banks		310,990	58,790	157,968	26,347
1.4	Interest Received from Money Market Transactions		81,904	163,002	23,290	28,324
1.5	Interest Received from Marketable Securities Portfolio		3,351,138	1,395,322	1,280,831	693,589
1.5.1	Financial Assets at Fair Value Through Profit or Loss		88,028	13,407	41,873	3,624
1.5.2	Financial Assets at Fair Value Through Other Comprehensive Income		1,127,989	312,344	497,190	154,795
1.5.3	Financial Assets Measured at Amortized Cost		2,135,121	1,069,571	741,768	535,170
1.6	Finance Lease Interest Income		-	-	-	-
1.7	Other Interest Income	IV-k	7,041,297	1,858,722	2,237,896	882,469
<b>II.</b>	<b>INTEREST EXPENSES (-)</b>	<b>IV-b</b>	<b>18,720,894</b>	<b>6,330,804</b>	<b>6,333,208</b>	<b>2,726,714</b>
2.1	Interest on Deposits		8,927,829	3,822,940	3,390,911	1,501,899
2.2	Interest on Funds Borrowed		1,300,072	556,954	510,675	258,116
2.3	Interest on Money Market Transactions		1,499,945	114,264	693,825	74,857
2.4	Interest on Securities Issued		-	-	-	-
2.5	Finance Lease Interest Expenses		27,331	11,802	9,297	3,751
2.6	Other Interest Expenses	IV-k	6,965,717	1,824,844	1,728,500	888,091
<b>III.</b>	<b>NET INTEREST INCOME/EXPENSE (I - II)</b>		<b>2,326,705</b>	<b>296,612</b>	<b>1,090,915</b>	<b>279,348</b>
<b>IV.</b>	<b>NET FEES AND COMMISSIONS INCOME/EXPENSES</b>		<b>295,430</b>	<b>719,209</b>	<b>106,018</b>	<b>301,334</b>
4.1	Fees and Commissions Received		410,624	790,272	157,507	326,033
4.1.1	Non-Cash Loans		120,133	95,643	45,145	39,016
4.1.2	Other	IV-k	290,491	694,629	112,362	287,017
4.2	Fees and Commissions Paid (-)		115,194	71,063	51,489	24,699
4.2.1	Non-Cash Loans (-)		46	46	25	25
4.2.2	Other (-)	IV-k	115,148	71,017	51,464	24,674
<b>V.</b>	<b>DIVIDEND INCOME</b>		<b>52</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI.</b>	<b>TRADING PROFIT/LOSS (Net)</b>	<b>IV-c</b>	<b>343,960</b>	<b>1,177,458</b>	<b>(31,348)</b>	<b>366,281</b>
6.1	Profit/Losses from Capital Market Transactions		405,647	407,218	204,338	147,795
6.2	Profit/Losses from Derivative Financial Transactions		(48,908)	(279,820)	(104,334)	23,013
6.3	Foreign Exchange Profit/Losses		(12,779)	1,050,060	(131,352)	195,473
<b>VII.</b>	<b>OTHER OPERATING INCOME</b>	<b>IV-d</b>	<b>920,034</b>	<b>212,222</b>	<b>449,451</b>	<b>63,159</b>
<b>VIII.</b>	<b>GROSS PROFIT FROM OPERATING ACTIVITIES (III+IV+V+VI+VII)</b>		<b>3,886,181</b>	<b>2,405,501</b>	<b>1,615,036</b>	<b>1,010,122</b>
<b>IX.</b>	<b>ALLOWANCES FOR EXPECTED CREDIT LOSSES (-)</b>	<b>IV-e</b>	<b>(256,348)</b>	<b>(1,161,444)</b>	<b>35,922</b>	<b>(196,182)</b>
<b>X.</b>	<b>OTHER PROVISION EXPENSES (-)</b>	<b>IV-e</b>	<b>28,631</b>	<b>463,845</b>	<b>1,037</b>	<b>(20,221)</b>
<b>XI.</b>	<b>PERSONNEL EXPENSES (-)</b>		<b>1,742,179</b>	<b>803,510</b>	<b>630,546</b>	<b>351,652</b>
<b>XII.</b>	<b>OTHER OPERATING EXPENSES (-)</b>	<b>IV-f</b>	<b>1,326,652</b>	<b>612,004</b>	<b>455,353</b>	<b>196,315</b>
<b>XIII.</b>	<b>NET OPERATING PROFIT/LOSS (VIII-IX-X-XI-XII)</b>		<b>1,045,067</b>	<b>1,687,586</b>	<b>492,178</b>	<b>678,558</b>
<b>XIV.</b>	<b>SURPLUS WRITTEN AS GAIN AFTER MERGER</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XV.</b>	<b>PROFIT/LOSS FROM EQUITY METHOD APPLIED SUBSIDIARIES</b>		<b>1,245,107</b>	<b>839,714</b>	<b>216,505</b>	<b>260,586</b>
<b>XVI.</b>	<b>NET MONETARY POSITION GAIN/LOSS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVII.</b>	<b>PROFIT/LOSS BEFORE TAXES FROM CONTINUING OPERATIONS (XIII+...+XVI)</b>	<b>IV-g</b>	<b>2,290,174</b>	<b>2,527,300</b>	<b>708,683</b>	<b>939,144</b>
<b>XVIII.</b>	<b>PROVISION FOR TAXES ON INCOME FROM CONTINUING OPERATIONS (±)</b>	<b>IV-h</b>	<b>211,534</b>	<b>(524,925)</b>	<b>(8,297)</b>	<b>(161,756)</b>
18.1	Current Tax Provision		166,389	47,763	(175,009)	47,763
18.2	Expense Effect of Deferred Tax (+)		287,898	693,670	7,580	18,900
18.3	Income Effect of Deferred Tax (-)		665,821	216,508	(175,726)	(95,093)
<b>XIX.</b>	<b>NET PROFIT/LOSS FROM CONTINUING OPERATIONS (XVII±XVIII)</b>	<b>IV-i</b>	<b>2,501,708</b>	<b>2,002,375</b>	<b>700,386</b>	<b>777,388</b>
<b>XX.</b>	<b>INCOME FROM DISCONTINUED OPERATIONS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
20.1	Income from Assets Held for Sale		-	-	-	-
20.2	Profit from Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
20.3	Other Income from Discontinued Operations		-	-	-	-
<b>XXI.</b>	<b>EXPENSES FROM DISCONTINUED OPERATIONS (-)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
21.1	Expenses on Assets Held for Sale		-	-	-	-
21.2	Losses from Sale of Associates, Subsidiaries and Joint Ventures		-	-	-	-
21.3	Other Expenses from Discontinued Operations		-	-	-	-
<b>XXII.</b>	<b>PROFIT/LOSS BEFORE TAXES FROM DISCONTINUED OPERATIONS (±) (XX-XXI)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XXIII.</b>	<b>TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
23.1	Current Tax Provision		-	-	-	-
23.2	Expense Effect of Deferred Tax (+)		-	-	-	-
23.3	Income Effect of Deferred Tax (-)		-	-	-	-
<b>XXIV.</b>	<b>NET PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXII±XXIII)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XXV.</b>	<b>NET PROFIT/LOSS FOR THE PERIOD (XIX+XXIV)</b>	<b>IV-j</b>	<b>2,501,708</b>	<b>2,002,375</b>	<b>700,386</b>	<b>777,388</b>
	Profit / Loss per Share (1.000 nominal in TL full)		8.202	7.540	2.296	2.927

The accompanying explanations and notes form an integral part of these financial statements.

**BURGAN BANK A.Ş.****UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 SEPTEMBER 2024 AND 30 SEPTEMBER 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Reviewed 01/01/2024-30/09/2024	Reviewed 01/01/2023-30/09/2023
<b>I. PROFIT/LOSS FOR THE PERIOD</b>	2,501,708	2,002,375
<b>II. OTHER COMPREHENSIVE INCOME</b>	(308,199)	197,849
<b>2.1 Items not to be Reclassified to Profit or Loss</b>	-	(3,424)
2.1.1 Revaluation Increase/Decrease of Tangible Assets	-	-
2.1.2 Revaluation Increase/Decrease of Intangible Assets	-	-
2.1.3 Defined Benefit Plans Remeasurement Gains/Loss	-	77
2.1.4 Other Comprehensive Income not to be Reclassified to Profit or Loss	-	-
2.1.5 Tax Related to Other Comprehensive Income not to be Reclassified to Profit or Loss	-	(3,501)
<b>2.2 Items to be Reclassified to Profit or Loss</b>	(308,199)	201,273
2.2.1 Foreign Currency Translation Differences	-	-
2.2.2 Gains or Losses on Valuation or Reclassification Arising From Financial Assets at Fair Value Through Other Comprehensive Income	18,670	(61,278)
2.2.3 Gains/Losses Arising on Cash Flow Hedges	(458,909)	423,869
2.2.4 Gains or Losses Arising on Net Investment Hedges	-	-
2.2.5 Other Comprehensive Income to be Reclassified to Profit or Loss	-	-
2.2.6 Tax Related to Other Comprehensive Income to be Reclassified to Profit or Loss	132,040	(161,318)
<b>III. TOTAL COMPREHENSIVE INCOME (I+II)</b>	2,193,509	2,200,224

The accompanying explanations and notes form an integral part of these financial statements.

**BURGAN BANK A.Ş.****UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

<b>V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY</b>						<b>Other Comprehensive Income and Expenses not to be Reclassified to Profit or Loss</b>			<b>Other Comprehensive Income and Expenses to be Reclassified to Profit or Loss</b>						
<b>Reviewed CURRENT PERIOD 30.09.2024</b>	<b>Note (Section Five)</b>	<b>Paid-in Capital</b>	<b>Share Issued Premiums</b>	<b>Share Cancellation Profit</b>	<b>Other Capital Rserve</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>Profit Reserves</b>	<b>Prior Period Profit / (Loss)</b>	<b>Net Profit or Loss for the Period</b>	<b>Total Shareholders' Equity</b>
<b>I. Balances at Beginning of Period</b>	<b>II-I</b>	<b>3,050,000</b>	<b>-</b>	<b>-</b>	<b>(6,321)</b>	<b>99,718</b>	<b>(54,674)</b>	<b>-</b>	<b>-</b>	<b>(102,006)</b>	<b>590,322</b>	<b>1,252,334</b>	<b>2,560,304</b>	<b>-</b>	<b>7,389,677</b>
<b>II. Corrections according to TAS 8</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1 Effect of Corrections of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Amendments in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New Balance (I+II)</b>		<b>3,050,000</b>	<b>-</b>	<b>-</b>	<b>(6,321)</b>	<b>99,718</b>	<b>(54,674)</b>	<b>-</b>	<b>-</b>	<b>(102,006)</b>	<b>590,322</b>	<b>1,252,334</b>	<b>2,560,304</b>	<b>-</b>	<b>7,389,677</b>
<b>IV. Total Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,069</b>	<b>(321,268)</b>	<b>-</b>	<b>-</b>	<b>2,501,708</b>	<b>2,193,509</b>
<b>V. Capital Increase in Cash</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. Capital Increase in Internal Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Adjustment to Share Capital</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. Convertible Bonds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX. Subordinated Debt Instruments</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. Gain or Loss related to Other Changes</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. Profit Distribution</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,415,741</b>	<b>(2,415,741)</b>	<b>-</b>	<b>-</b>
11.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	2,415,741	(2,415,741)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Period End Balance (III+IV+.....+X+XI)</b>		<b>3,050,000</b>	<b>-</b>	<b>-</b>	<b>(6,321)</b>	<b>99,718</b>	<b>(54,674)</b>	<b>-</b>	<b>-</b>	<b>(88,937)</b>	<b>269,054</b>	<b>3,668,075</b>	<b>144,563</b>	<b>2,501,708</b>	<b>9,583,186</b>

1. Non-current assets revaluations increases / decreases.

2. Accumulated re-measurement gains / losses of defined benefits.

3. Other (the share of other comprehensive income of the investments accounted by the equity method that cannot be classified as profit / loss and the accumulated amount of other comprehensive income items that will not be reclassified as other profit / loss).

4. Foreign currency translation differences.

5. Accumulated revaluation and / or classification gains / losses on financial assets at fair value through other comprehensive income.

6. Other (Cash flow hedging gains / losses, share of other comprehensive income of equity method investees classified as profit / loss and accumulated other comprehensive income to be reclassified as other profit or loss).

The accompanying explanations and notes form an integral part of these financial statements.



**BURGAN BANK A.Ş.****UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

<b>V. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY</b>						<b>Other Comprehensive Income and Expenses not to be Reclassified to Profit or Loss</b>			<b>Other Comprehensive Income and Expenses to be Reclassified to Profit or Loss</b>						
<b>Reviewed PRIOR PERIOD 30.09.2023</b>	<b>Note (Section Five)</b>	<b>Paid-in Capital</b>	<b>Share Issued Premiums</b>	<b>Share Cancellation Profit</b>	<b>Other Capital Rserve</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>Profit Reserves</b>	<b>Prior Period Profit / (Loss)</b>	<b>Net Profit or Loss for the Period</b>	<b>Total Shareholders' Equity</b>
<b>I. Balances at Beginning of Period</b>	<b>II-I</b>	<b>2,655,500</b>	<b>-</b>	<b>-</b>	<b>(6,321)</b>	<b>53,305</b>	<b>(40,681)</b>	<b>-</b>	<b>-</b>	<b>64,663</b>	<b>720,650</b>	<b>429,402</b>	<b>1,217,432</b>	<b>-</b>	<b>5,093,950</b>
<b>II. Corrections according to TAS 8</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2.1 Effect of Corrections of Errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of Amendments in Accounting Policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New Balance (I+II)</b>		<b>2,655,500</b>	<b>-</b>	<b>-</b>	<b>(6,321)</b>	<b>53,305</b>	<b>(40,681)</b>	<b>-</b>	<b>-</b>	<b>64,663</b>	<b>720,650</b>	<b>429,402</b>	<b>1,217,432</b>	<b>-</b>	<b>5,093,950</b>
<b>IV. Total Comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,093)</b>	<b>2,669</b>	<b>-</b>	<b>-</b>	<b>(47,205)</b>	<b>248,478</b>	<b>-</b>	<b>-</b>	<b>2,002,375</b>	<b>2,200,224</b>
<b>V. Capital Increase in Cash</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI. Capital Increase in Internal Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VII. Adjustment to Share Capital</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VIII. Convertible Bonds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX. Subordinated Debt Instruments</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>X. Gain or Loss related to Other Changes</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XI. Profit Distribution</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,217,432</b>	<b>(1,217,432)</b>	<b>-</b>	<b>-</b>
11.1 Dividend Paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to Reserves		-	-	-	-	-	-	-	-	-	-	1,217,432	(1,217,432)	-	-
11.3 Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Period End Balance (III+IV+.....+X+XI)</b>		<b>2,655,500</b>	<b>-</b>	<b>-</b>	<b>(6,321)</b>	<b>47,212</b>	<b>(38,012)</b>	<b>-</b>	<b>-</b>	<b>17,458</b>	<b>969,128</b>	<b>1,646,834</b>	<b>-</b>	<b>2,002,375</b>	<b>7,294,174</b>

1. Non-current assets revaluations increases / decreases,

2. Accumulated re-measurement gains / losses of defined benefits,

3. Other (the share of other comprehensive income of the investments accounted by the equity method that cannot be classified as profit / loss and the accumulated amount of other comprehensive income items that will not be reclassified as other profit / loss).

4. Foreign currency translation differences,

5. Accumulated revaluation and / or classification gains / losses on financial assets at fair value through other comprehensive income,

6. Other (Cash flow hedging gains / losses, share of other comprehensive income of equity method investees classified as profit / loss and accumulated other comprehensive income to be reclassified as other profit or loss).

The accompanying explanations and notes form an integral part of these financial statements.

**BURGAN BANK A.Ş.****UNCONSOLIDATED STATEMENT OF CASH FLOWS AS OF 30 SEPTEMBER 2024  
AND 30 SEPTEMBER 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

<b>VI. STATEMENT OF CASH FLOWS</b>	<b>Reviewed 30/09/2024</b>	<b>Reviewed 30/09/2023</b>
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>		
<b>1.1 Operating Profit Before Changes in Assets and Liabilities in the Field of Activity of Banking</b>	<b>(332,618)</b>	<b>(2,807,589)</b>
1.1.1 Interest Received	18,408,750	6,078,099
1.1.2 Interest Paid	(18,266,170)	(6,016,239)
1.1.3 Dividend Received	52	-
1.1.4 Fees and Commissions Received	426,644	780,443
1.1.5 Other Income	-	-
1.1.6 Collections from Previously Written-off Loans and Other Receivables	64,501	509,766
1.1.7 Payments to Personnel and Service Suppliers	(1,492,679)	(803,510)
1.1.8 Taxes Paid	(166,389)	(49,546)
1.1.9 Other	692,673	(3,306,602)
<b>1.2 Changes in Operating Assets and Liabilities in Banking Activities</b>	<b>7,287,287</b>	<b>4,992,343</b>
1.2.1 Net (Increase) Decrease in Financial Assets at Fair Value Through Profit or Loss	(1,365,192)	(2,249,630)
1.2.2 Net (Increase) Decrease in Banks	2,272,557	1,333,926
1.2.3 Net (Increase) Decrease in Loans	(7,028,864)	(1,451,086)
1.2.4 Net (Increase) Decrease in Other Assets	(5,018,001)	(1,036,932)
1.2.5 Net Increase (Decrease) in Bank Deposits	696,869	523,422
1.2.6 Net Increase (Decrease) in Other Deposits	3,956,220	(4,845,278)
1.2.7 Net Increase (Decrease) in Financial Liabilities at Fair Value Through Profit or Loss	-	-
1.2.8 Net Increase (Decrease) in Funds Borrowed	13,426,027	9,882,485
1.2.9 Net Increase (Decrease) in Overdue Payables	-	-
1.2.10 Net Increase (Decrease) in Other Liabilities	347,671	2,835,436
<b>I. Net Cash Flow Provided from Banking Operations</b>	<b>6,954,669</b>	<b>2,184,754</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>II. Net Cash Flow Provided from Investing Activities</b>	<b>(5,297,808)</b>	<b>(206,835)</b>
2.1 Cash Paid for Acquisition of Investments, Associates and Subsidiaries (Joint Partnerships)	-	(350,000)
2.2 Cash Obtained from Disposal of Investments, Associates and Subsidiaries (Joint Partnerships)	-	-
2.3 Purchases of Property and Equipment	(67,340)	(39,068)
2.4 Disposals of Property and Equipment	134,124	445,128
2.5 Financial Assets at Fair Value Through Other Comprehensive Income	(4,911,099)	(176,744)
2.6 Financial Assets at Fair Value Through Other Comprehensive Income	196,779	340,798
2.7 Purchased Financial Assets at Amortised Cost	(2,067,236)	(890,750)
2.8 Sold Financial Assets at Amortised Cost	1,497,642	502,604
2.9 Other	(80,678)	(38,803)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>III. Net Cash Provided from Financing Activities</b>	<b>(87,932)</b>	<b>(44,908)</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued	-	-
3.2 Cash Outflow for Repayment of Funds Borrowed and Securities Issued	-	-
3.3 Issued Capital Instruments	-	-
3.4 Dividends Payments	-	-
3.5 Payments for Leases	(87,932)	(44,908)
3.6 Other	-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>	<b>145,496</b>	<b>322,702</b>
<b>V. Net Increase / (Decrease) in Cash and Cash Equivalents (I+II+III+IV)</b>	<b>1,714,425</b>	<b>2,255,713</b>
<b>VI. Cash and Cash Equivalents at the Beginning of the Period</b>	<b>8,017,147</b>	<b>5,771,649</b>
<b>VII. Cash and Cash Equivalents at the End of the Period</b>	<b>9,731,572</b>	<b>8,027,362</b>

The accompanying explanations and notes form an integral part of these financial statements.

**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD**

**I. BASIS OF PRESENTATION:**

- a. The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Keeping Documents:**

The unconsolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and in accordance with the regulations, communiqués, interpretations and legislations related to accounting and financial reporting principles published by the Banking Regulation and Supervision Agency ("BRSA"), and in case where a specific regulation is not made by BRSA, "Turkish Accounting Standards" ("TAS") and "Turkish Financial Reporting Standards" ("TFRS") and related appendices and interpretations put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA"). The format and content of the publicly announced unconsolidated financial statements and related disclosures to these statements have been prepared in accordance with the "Communiqué related to Publicly Announced Financial Statements of Banks and Explanations and Notes to related to these Financial Statements", published in the Official Gazette No. 28337, dated 28 June 2012, and changes and amendments to this Communiqué. The Bank maintains its accounting entries in Turkish Lira, in accordance with the Banking Law, Turkish Trade Law and the Turkish Tax Legislation.

The unconsolidated financial statements expressed in TL, were prepared with the cost-based method and were subject to inflation adjustments until 31 December 2004, except for financial assets, liabilities and buildings which were carried at fair value. The amounts in the unconsolidated financial statements and notes related to these financial statements have been expressed in thousands of Turkish Lira, unless otherwise stated. The preparation of unconsolidated financial statements in conformity with TAS requires the use of certain critical accounting estimates by the Bank management to exercise its judgment on the assets and liabilities of the balance sheet and contingent issues as of the balance sheet date. These estimates, which include the fair value calculations of financial instruments and impairments of financial assets are being reviewed regularly and, when necessary, suitable corrections are made and the effects of these corrections are reflected to the income statement. Assumptions and estimates that are used in the preparation of the accompanying financial statements are explained in the following related disclosures.

In accordance with the CMB's decision dated 17 March 2005 and numbered 11/367, for companies operating in Turkey and preparing financial statements in accordance with Turkish Accounting Standards, the application of inflation accounting has been terminated as of 1 January 2005. Accordingly, as of 1 January 2005, the standard No. 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") has not been applied.

According to the Financial Reporting Standard for High Inflationary Economies ("TAS 29"), entities whose functional currency is the currency of a high inflationary economy report their financial statements in terms of the purchasing power of the currency at the end of the reporting period. TAS 29 identifies characteristics that may indicate an economy as high inflationary. Furthermore, according to TAS 29, all entities reporting in the currency of a high inflationary economy are required to apply this Standard from the same date. Therefore, to ensure consistency in application nationwide, it is expected that all entities will commence applying TAS 29 simultaneously, following an announcement by the Public Oversight, Accounting, and Auditing Standards Authority as stated in TAS 29.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****I. BASIS OF PRESENTATION (continued):****a. The preparation of the financial statements and related notes and explanations in accordance with the Turkish Accounting Standards and Regulation on the Principles and Procedures Regarding Banks' Accounting Application and Keeping Documents (continued):**

With its announcement dated 23 November 2023, the Public Oversight, Accounting, and Auditing Standards Authority (POA) stated that the financial statements of entities applying the Turkish Financial Reporting Standards, for annual reporting periods ending on or after 31 December 2023, should be prepared in accordance with the Financial Reporting Standard for High Inflationary Economies ("TAS 29"). However, it was also mentioned that institutions authorized to regulate and supervise in their respective fields may determine different transition dates for the application of TAS 29 provisions. In response to POA's announcement, the Banking Regulation and Supervision Agency (BRSA) decided through its decision numbered 10744 dated 12 December 2023, that banks, financial leasing, factoring, financing, savings finance, and asset management companies would not be subject to inflation adjustment for their financial statements ending on 31 December 2023, under TAS 29. According to the decision numbered 10825 dated 11 January 2024, by BRSA, it was decided that banks, financial leasing, factoring, financing, savings finance, and asset management companies would transition to inflation accounting from 1 January 2025, onwards. Consequently, the Bank did not apply the inflation accounting required under TAS 29 in its financial statements for the period ending 30 September 2024.

**b. Information on accounting policies and changes in financial statements:**

None.

**II. EXPLANATIONS ON STRATEGY OF USING FINANCIAL INSTRUMENTS AND FOREIGN CURRENCY TRANSACTIONS:**

The overall strategy of the Bank of using financial instruments is to sustain an optimal balance between the yield of financial instruments and their risks. The most important funding source of the Bank is deposits. The Bank can also sustain a lengthened liability structure by using long-term borrowings from foreign financial institutions. Funds obtained from deposits and other sources are invested in high yield and quality financial assets and currency, interest rate and liquidity risks are being kept within the limits following the asset-liability management strategy. The currency, interest and liquidity risks of on-balance sheet and off-balance sheet assets and liabilities are managed accordingly within the risk limits accepted by the Bank and the related legal limits. Derivative instruments are mainly utilized for liquidity needs and for mitigating currency and interest rate risks. The position of the Bank as a result of foreign currency activities being held at minimum levels and the exposed currency risk is followed within the determined levels by the Board of Directors by considering the limits given by the Banking Law.

Foreign currency denominated monetary assets and liabilities are translated with the Bank's foreign currency bid rates prevailing at the balance sheet date and related gains and losses arising from these translations are recognized in the income statement under the account of "Foreign exchange gains or losses".

As of 30 September 2024, foreign currency denominated balances are translated into TL using the exchange rates of TL 34.1210 and TL 38.1714 for USD and EUR, respectively.

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**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****III. INFORMATION ON CONSOLIDATED PARTNERSHIPS:**

Unconsolidated financial associates are recognized according to equity method in the framework of TAS 28 Communique on Investments in Subsidiaries and Associates with respect to TAS 27 Separate Financial Statements Communique in unconsolidated financial statements. Associates, which were recognized with cost value in the unconsolidated financial statement previously, are recognized according to equity method as of 31 December 2015 along with the yearend of 2015.

The Bank has no joint ventures as of 30 September 2024 and 31 December 2023.

**IV. EXPLANATIONS ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS:**

The major derivative instruments utilized by the Bank are currency and interest rate swaps, cross currency swaps, currency options and currency forwards.

The Bank classifies its currency forwards, swaps, options and futures as transactions at "Fair Value Through Profit or Loss" in accordance with TFRS 9 principles. Derivative transactions are recorded in accordance with their fair value on the contract date. Also, liabilities and receivables arising from derivative instruments are followed in the off-balance sheet accounts from their contractual values.

Derivative instruments are measured at their fair values in the periods following their recording and are disclosed under assets or liabilities in the "Derivative Financial Assets at Fair Value Through Profit or Loss" section according to whether their fair value is positive or negative. Differences in the fair value of trading derivative instruments are reflected to the income statement. The fair values of the derivative financial instruments are calculated by using quoted market prices or by using discounted cash flow models.

As of 30 September 2024, the Bank applies cash flow hedge accounting through cross and interest currency swaps to protect against changes in interest rates of FC deposits which have average maturities of up to 3 months. The Bank implements effectiveness tests at the balance sheet dates for hedge accounting, the effective parts are accounted as defined in TAS 39, on the financial statements under equity "Accumulated Other Comprehensive Income or Expense to Be Reclassified Through Profit Or Loss", whereas the amount concerning ineffective parts is associated with the income statement.

In cash flow hedge accounting, when the hedging instrument expires, is executed or sold and when the hedge relationship becomes ineffective or is discontinued as a result of the hedge relationship being revoked; the hedging gains and losses that were previously recognized under equity are transferred to profit or loss when the cash flows of the hedged item are realized. The renewal of a financial hedging instrument or the transfer of a financial hedging instrument to another financial hedging instrument does not eliminate the hedging relationship, if the financial hedging instrument is part of the hedging strategy in accordance with TFRS 9.

**V. EXPLANATIONS ON INTEREST INCOME AND EXPENSE:**

Interest income and expenses are recognized by using the effective interest method.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****VI. EXPLANATIONS ON FEE AND COMMISSION INCOME AND EXPENSE:**

Fees and commission income/expenses are primarily recognized on an accrual basis or "Effective interest (internal efficiency rate) method" according to the nature of the fee and commission, except for certain commission income and fees for various banking services which are recorded as income at the time of collection. Contract based fees or fees received for services such as the purchase and sale of assets on behalf of a third party or legal person are recognized as income at the time of collection. The commissions and fees other than those whose amortised costs are integral part of their effective profit rate, are accounted over time in accordance with the TFRS 15 Revenue From Contracts With Customers Standard.

**VII. EXPLANATIONS ON FINANCIAL ASSETS:**

The Bank classifies and accounts its financial assets as "Financial Assets at Fair Value Through Profit/Loss", "Financial Assets at Fair Value Through Other Comprehensive Income" or "Financial Assets Measured at Amortized Cost". Such financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 "Classification and Measurement of Financial Instruments" published in the Official Gazette No. 29953 dated 19 January 2017 by the Public Oversight Accounting and Auditing Standards Authority. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value.

The Bank recognizes a financial asset into the financial statements when it becomes a party to the contractual terms of a financial instrument. During the first recognition of a financial asset into the financial statements, the business model determined by the Bank management and the nature of contractual cash flows of the financial asset are taken into consideration. When the business model determined by the Bank's management is changed, all affected financial assets are reclassified and this reclassification is applied prospectively. In such cases, no adjustments are made to earnings, losses or interests that were previously recorded in the financial statements.

**a. Financial assets at fair value through profit/loss:**

"Financial Assets at Fair Value Through Profit or Loss" are financial assets other than the ones that are managed with business models that aim to hold contractual cash flows in order to collect them and the ones that are managed with business models that aim to collect both the contractual cash flows and cash flows arising from the sale of the assets; If the contractual terms of the financial asset do not lead to cash flows representing solely payments of principal and interest at a certain date; That are either acquired for generating a profit from short-term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making. Financial assets at fair value through profit or loss are initially recognized at fair value and are remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the profit/loss accounts.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****VII. EXPLANATIONS ON FINANCIAL ASSETS (continued):****b. Financial assets at fair value through other comprehensive income:**

In addition to financial assets within a business model that aims to hold to collect contractual cash flows and aims to hold to sell, financial assets with contractual terms that lead to cash flows are solely payments of principal and interest at certain dates, are classified as fair value through other comprehensive income.

Financial assets at fair value through other comprehensive income are recognized by adding transaction cost to acquisition cost reflecting the fair value of the financial asset. After the recognition, financial assets at fair value through other comprehensive income are re-measured at fair value. Interest income calculated with the effective interest rate method arising from financial assets at fair value through other comprehensive income and dividend income from equity securities are recorded to statement of profit or loss. Unrealized gains and losses, arising from the difference between the amortized cost and the fair value of financial assets at fair value through other comprehensive income are not reflected in the statement of profit or loss of the period until the acquisition of the asset, sale of the asset, the disposal of the asset, and impairment of the asset and they are accounted under the "Accumulated Other Comprehensive Income or Expense To Be Reclassified Through Profit or Loss" under shareholders' equity. When the mentioned marketable securities are collected or sold, the accumulated losses through fair value are reflected on the statement of profit or loss.

Equity securities, which are classified as financial assets at fair value through other comprehensive income, that have a quoted market price in an active market and/or whose fair values can be reliably measured are carried at their fair value. Equity securities that do not have a quoted market price in an active market and/or whose fair values cannot be reliably measured are carried at cost, less provision for impairment. In case of disposal of the equity investment, the accumulated total gain or loss is followed in the "Other Accumulated Comprehensive Income or Expense that cannot be reclassified to Profit or Loss".

During initial recognition, an entity can make an irrevocable decision, by choosing to record the changes of the fair value of the investment in an equity instrument that is not held for trading purposes in other comprehensive income. If this choice is made, the dividends from the investment are taken into the financial statements as profit or loss.

**c. Financial assets measured at amortized cost:**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as financial assets measured at amortized cost. Financial assets measured at amortized cost are initially recognized at their acquisition cost including the transaction costs which reflect the fair value of those instruments and are subsequently recognized at "Amortized Cost" by using "Effective Interest (Internal efficiency rate)" method. Interest income obtained from financial assets measured at amortized cost are accounted in the income statement.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****VII. EXPLANATIONS ON FINANCIAL ASSETS (continued):****c. Financial assets measured at amortized cost (continued):**

Additionally, the Bank's securities portfolio includes inflation-linked government bonds, which are classified as financial assets measured at fair value through other comprehensive income and financial assets measured at amortized cost. These securities are indexed to the Consumer Price Index (CPI). They are valued and accounted for using the effective interest method based on the index calculated considering the real coupon rates and the inflation index at the issuance date along with the estimated inflation rate. As stated in the Treasury Undersecretariat's Investor Guide for CPI-Linked Bonds, the reference indices used for calculating the actual coupon payment amounts for these securities are based on the CPI from two months prior. The Bank determines the estimated inflation rate accordingly. The estimated inflation rate, taking into account the expectations of the Central Bank of the Republic of Turkey and the Bank, is updated as deemed necessary throughout the year.

**d. Loans:**

Loans are financial assets that have fixed or determinable payment terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate (Internal Rate of Return)" method.

The Bank's loans are recorded under the "Measured at Amortized Cost" account.

Write-down policy is explained in, section I.e.12 explanations on loans.

**VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES:**

The Bank allocates impairment for expected loss on financial assets measured at amortized cost and measured at fair value through other comprehensive income.

As of 1 January 2018, in accordance with the Communiqué related to "Procedures and Principals regarding Classification of Loans and Allowances Allocated for Such Loans" published in the Official Gazette no. 29750 dated 22 June 2016, the Bank has started to allocate a loss allowance for expected credit losses on financial assets and loans measured at amortized cost in accordance with TFRS 9. In this context, as of 1 January 2018, the credit loss allowance method within the framework of the BRSA's related legislation has been changed to the loss allowance for expected credit losses model with the implementation of TFRS 9. The predictions of expected credit loss forecasts include credible information which is objective, probability-weighted, supportable about past events, current conditions, and forecasts of future economic conditions.



**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):**

**VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES (continued):**

The basic parameters used in the calculations of provision are described below:

**Probability of Default (PD):** PD refers to the likelihood that a loan will default within a specified time horizon. Based on TFRS 9, two different PDs are considered in calculations:

- **12-month PD:** The probability of default occurring within the next 12 months following the balance sheet date.
- **Lifetime PD:** The probability of default occurring over the remaining life of the loan.

The Bank generates ratings for the corporate and commercial customers via internal rating system and the 12-month or lifetime probability of defaults are estimated based on these ratings. Macroeconomic expectations are taken into account when carrying out these expectations and the weighted average of the probabilities of default calculated from three different scenarios are considered as the final probability of default.

For retail customers, the score point is generated via the internal scoring system and the 12-month or lifetime probabilities of default are estimated based on these score points by considering the above-mentioned macroeconomic factors.

For the receivables from customers such as sovereign and banks, provision is calculated by using the determined values in the corporate and commercial probability of default table and the loss given default rates.

**Loss Given Default Rate:** If a loan default occurs, it refers to the economic loss that might be encountered by taking into consideration the collection period and the time value of money. The Bank has determined the loss given default rates by considering the expert opinion based on the past historical data set.

**Exposure at Default:** For cash loans, it corresponds to the amount of loan granted as of the reporting date. For non-cash loans, it is the value calculated through using credit conversion factors.

In calculating expected credit losses, the bank includes forward-looking macroeconomic information in the probability of default calculations. In this context, the default rate for future periods is estimated based on Turkey's annual real Gross Domestic Product (GDP) growth rate. Estimates for the macroeconomic variable are determined according to three different scenarios: negative, base and positive, to be used in the expected credit loss calculation. Final values are reached through the weighted average of expected credit losses produced in the relevant scenarios.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****VIII. EXPLANATIONS ON EXPECTED CREDIT LOSSES (continued):**

These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition:

**Stage 1:**

These are the financial assets at initial recognition or financial assets that do not have a significant increase in credit risk since their initial recognition. Impairment for credit risk for these assets is accounted in the amount of 12-month expected credit losses. Therefore, the expected probability of default of 12 months is calculated by considering the maturity of the loan. This value is obtained after weighting the three macro-economic scenarios and the provision is calculated using the loss given default and risk amounts calculated by taking into consideration the collateral composition of the loan.

**Stage 2:**

As of the reporting date of the financial asset, in the event of a significant increase in credit risk since initial recognition, the financial asset is transferred to Stage 2. Impairment for credit risk is accounted on the basis of the financial asset's lifetime expected credit losses. The provision which will be allocated for the loan is calculated by considering the maturity and cash flow of the loan for three macroeconomic scenarios as stated above. For this purpose, the probability of default and the loss given default amounts are estimated not only for 12 months but also for the whole life of the loan and the loan provision is determined by using the present value set calculated over the cash flow.

**Stage 3:**

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognized. The method is similar to the methodology applied for Stage 2 loans, but the probability of default is considered 100% in these calculations. In general the Bank follows the definition of default in the legislation (objective default definition, for example the criterion of the number of days past due). On the other hand, if it is decided that the debt will not be paid, the aforementioned receivable will be considered as Stage 3. even if the default has not occurred yet.

The Bank carries out its determination regarding the significant increase in credit risk by taking into consideration of the following criterias:

- Type of customer (calculations are made on separate models for corporate and commercial customers and retail customers).
- Internal rating scores (calculations are based on score points for retail customers and ratings for corporate and commercial customers).
- The deterioration observed in the internal rating score between the drawdown date and the reporting date.

In addition to the above rules, the Bank also provides additional provisions through individual assessment.

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**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****IX. EXPLANATIONS ON OFFSETTING FINANCIAL ASSETS:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank has a legally enforceable right to offset the recognized amounts and there is an intention to collect/pay related financial assets and liabilities on a net basis, or to realize the asset and settle the liability simultaneously.

**X. EXPLANATIONS ON SALES AND REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS:**

Securities subject to repurchase agreements ("Repo") are classified as "Financial assets at fair value through profit or loss", "Financial assets at fair value through other comprehensive income" and "Measured at amortized cost" according to the investment purposes of the Bank and measured according to the portfolio to which they belong. Funds obtained from repurchase agreements are accounted under "Funds Provided under Repurchase Agreements" in liabilities and the difference between the sale and repurchase price is accrued over the life of repurchase agreements using the effective interest method.

Funds given against securities purchased under agreements ("Reverse repo") to resell are accounted under "Receivables from Reverse Repurchase Agreements" on the balance sheet. The difference between the purchase and determined resell price is accrued over the life of repurchase agreements using the "Effective Interest Rate (Internal Efficiency) method". The Bank has no securities lending transactions.

**XI. EXPLANATIONS ON TANGIBLE ASSETS THAT ARE HELD FOR RESALE, DISCONTINUED OPERATIONS AND LIABILITIES REGARDING THOSE ASSETS:**

Assets held for sale are measured at the lower of the assets' carrying amount and fair value less costs to sell. Held for sale assets are not amortized and presented separately in the financial statements. In order to classify an asset as held for sale, only when the sale is highly probable, experienced quite often and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale. Highly saleable condition requires a plan by the management regarding the sale of the asset to be disposed (or else the group of assets), together with an active program for determination of buyers as well as for the completion of the plan. Also the asset (or else the group of assets) shall be actively marketed in conformity with its fair value. On the other hand, the sale is expected to be journalized as a completed sale within one year after the classification date; and the necessary transactions and procedures to complete the plan should demonstrate the fact that the possibility of making significant changes or cancelling the plan is low. Various circumstances and conditions could extend the completion period of the sale more than one year. If such delay arises from any events and conditions beyond the control of the entity and if there is sufficient evidence that the entity has an ongoing disposal plan for these assets, such assets (or else group of assets) are continued to be classified as assets held for sale.

The Bank has no discontinued operations.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****XII. EXPLANATIONS ON GOODWILL AND OTHER INTANGIBLE ASSETS:****a. Goodwill:**

As of 30 September 2024, the Bank has no goodwill (31 December 2023: None).

**b. Other intangible assets:**

Intangible assets are measured at cost on initial recognition and any directly attributable costs of setting the asset to work for its intended use are included in the initial measurement. Subsequently, intangible assets are carried at historical costs after the deduction of accumulated amortization and the provision for value decreases, if any.

Intangibles are amortized over their estimated useful lives using the straight-line method. The useful life of the asset is determined by assessing the expected useful life of the asset, technical, technological and other kinds of obsolescence and all required maintenance expenses necessary to utilize the economic benefit of the asset and differs from 3 years to 15 years.

**XIII. EXPLANATIONS ON PROPERTY AND EQUIPMENT:**

Property and equipment is measured at its cost when initially recognised and any directly attributable costs of setting the asset in working order for its intended use are included in the initial measurement. Subsequently, property and equipment are carried at cost less accumulated depreciation and provision for value decrease, if any.

The Bank has adopted the "revaluation method" in accordance with the "Communiqué Regarding the Principles and Procedures for the Tangible Assets ("TAS 16")" for its buildings. Independent expert appraisal values are presented in the financial statements.

Depreciation is calculated over the cost of property and equipment using the straight-line method. The depreciation rates are stated below:

Buildings	2%
Movables, Movables Acquired by Financial Leasing	2%-50%

The depreciation charge for items remaining in property and equipment for less than an accounting period at the balance sheet date is calculated in proportion to the period the item remained in property and equipment.

When the carrying amount of an asset is greater than its estimated "Net recoverable amount", it is written down to its "Net recoverable amount" and the provision for the diminution in value is charged to the income statement.

Gains and losses on the disposal of property and equipment are determined by deducting the net book value of the property and equipment from its sales revenue.

Expenditures for the repair and renewal of property and equipment are recognised as expense. The capital expenditures made in order to increase the capacity of the tangible asset or to increase its future benefits are capitalised on the cost of the tangible asset. The capital expenditures include the cost components which are used either to increase the useful life or the capacity of the asset, or the quality of the product or to decrease the costs.

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****XIV. EXPLANATIONS ON LEASING TRANSACTIONS:**

The Bank records its fixed assets obtained via leasing by taking into consideration the "lower of the fair value of the leased asset and the present value of the amount of cash consideration given for the leased asset".

Leased assets are included in the property and equipment and depreciation is charged on a straight-line basis over the useful life of the asset. If there is any diminution in value of the leased asset, a "Provision for value decrease" is recognised. Liabilities arising from the leasing transactions are included in "Financial Lease Payables" on the balance sheet. Interest and foreign exchange expenses regarding lease transactions are charged to the income statement.

With the "TFRS 16 Leases" standard, which became effective as of 1 January 2019, the difference between the operating lease and financial lease has been removed, and lease transactions have started to be recognized under "Tangible Fixed Assets" as an asset (right to use asset) and under "Lease Payables" as a liability.

The Bank has applied the changes in accounting policies due to the initial implementation of the "TFRS 16 Leases" standard, which is among the new standards, amendments and interpretations effective from 1 January 2019, in accordance with the transition obligations of the related standard.

**TFRS 16 "Leases" Standard****The Bank – lessee:**

At the beginning of a contract, the Bank assesses whether the contract has the quality of a lease or whether the contract includes a lease transaction. In circumstances when the contract transfers the right of controlling the asset for a certain time period for a certain price, this contract carries the quality of a lease or includes a leasing transaction. The Bank reflects the existence of a right of use and a lease liability to the financial statements at the effective date of the lease.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):**

**XIV. EXPLANATIONS ON LEASING TRANSACTIONS (continued):**

**Right-of-use asset:**

The right-of-use asset is first recognized by the cost method and includes the following:

- a) The initial measurement amount of the lease obligation,
- b) The amount obtained by deducting all the rental incentives received from all lease payments made at or before the beginning of the lease,
- c) All initial direct costs incurred by the Bank.

When the bank applies the cost method, the existence of the right to use:

- a) Accumulated depreciation and accumulated impairment losses are deducted and
- b) Measures the restatement of the lease obligation at the restated cost.

The Bank applies the depreciation statutes included in the TAS 16 Tangible Assets standard while depreciating the right to use an asset.

**Lease obligation:**

At the effective date of the lease, the Bank measures its leasing liability at the present value of the lease payments not paid at that time. Lease payments are discounted using the Bank's average borrowing interest rates in the case of this rate being easily determined. Otherwise, the Bank uses its alternative borrowing interest rates.

The lease payments included in the measurement of the lease liability consist of the payments to be made for the right of use during the lease term of the underlying asset and the unpaid payments at the effective date of the lease:

After the effective date of the lease, the Bank measures the leasing liability as follows:

- a) Increases the book value to reflect the interest on the lease obligation,
- b) Reduces the book value to reflect the lease payments made and
- c) The book value is measured to reflect reassessments and restructuring, or to reflect fixed lease payments as of revised nature.

The interest on the lease liability for each period in the lease period is the amount calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****XV. EXPLANATIONS ON PROVISIONS AND CONTINGENT LIABILITIES:**

Provisions and contingent liabilities except for the allowances for expected credit losses recognized for loans and other receivables are accounted in accordance with the "Turkish Accounting Standard for Provisions, Contingent Liabilities and Contingent Assets" ("TAS 37").

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The provision for contingent liabilities arising from past events should be recognised in the same period of occurrence in accordance with the "Matching principle". When the amount of the obligation cannot be estimated and there is no possibility of an outflow of resources from the Bank, it is considered that a "Contingent" liability exists and it is disclosed in the related notes to the financial statements.

**XVI. EXPLANATIONS ON CONTINGENT ASSETS:**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements in which the change occurs.

**XVII. EXPLANATIONS ON OBLIGATIONS RELATED TO EMPLOYEE RIGHTS:**

The Bank accounts obligations related to employee termination and vacation rights in accordance with "Turkish Accounting Standard for Employee Rights" ("TAS 19") and classifies these items under the "Reserve for Employee Rights" account in the balance sheet.

Under the Turkish Labour Law, the Bank is required to pay a specific amount to the employees who have retired or whose employment is terminated other than the reasons specified in the Turkish Labour Law. The reserve for employment termination benefits represents the present value of the estimated total reserve for the future probable obligation of the Bank arising from this liability.

According to the TAS 19 that is revised by Public Oversight Accounting and Auditing Standards Authority with the Communiqué published in Official Gazette on 12 March 2013 numbered 28585, in the calculation of the employment termination benefit liabilities of the Bank, the recognition option of the actuarial gains and losses derived from the changes in actuarial assumptions or the differences between actuarial assumptions and realizations in the statement of profit or loss has been eliminated which is effective for annual periods beginning on or after 1 January 2013. The earlier application of the revision is permitted in the section of the transition and effective date of the standard and therefore the Bank has recognised the actuarial gains and losses that occur in related reporting periods in the "Statement of Profit or Loss and Other Comprehensive Income" and presented in "Other Reserves" item in the Shareholders Equity section.

## **BURGAN BANK A.Ş.**

### **NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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#### **EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):**

#### **XVIII. EXPLANATIONS ON TAXATION:**

##### **a. Current Tax:**

The Corporate Tax Law No. 5520 entered into force with many of its provisions being published in the Official Gazette No. 26205 dated 21 June 2006, effective from 1 January 2006. Accordingly, in Turkey, the general Corporate Tax rate is 25% and the corporate tax rate is based on the corporate profits of banks, companies within the scope of Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. The tax is calculated at a rate of 30%. The corporate tax rate is applied to the tax base found by adding expenses that are not accepted as deductions according to the tax laws to the commercial earnings of the institutions, and deducting the exceptions (such as the partnership earnings exception) and discounts included in the tax laws. If the profit is not distributed, no other tax is paid.

Corporate tax applied at the rate of 20% for corporate earnings in Turkey, pursuant to the regulation introduced by the Law No. 7316 on the "Law on the Collection of Public Claims and Amendments to Certain Laws" is applied as 25% to be applied to corporate earnings for the 2021 taxation period and 23% to be applied to corporate earnings for the 2022 taxation period, pursuant to the regulation introduced by the Law No. 7394 on "The Law on the Evaluation of Immovable Property Owned by the Treasury and Amendment to the Value Added Tax Law and Amendments to Some Laws and Decrees" this rate has been determined as 25% to be applied to the corporate earnings of banks, companies under the Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies for the taxation period as of 2022.

However, with the Law No. 7456 published on 15 July 2023 the aforementioned rate has been increased to 30% to be applied to cumulative bases included in declarations to be submitted as of 1 October 2023. Starting from the advance tax return to be submitted for the period of 1 January 2023 to 31 December 2023, the corporate tax rate will be applied at 30% for subsequent periods.

In Turkey, non-resident companies earning income through a branch or permanent representative paid to resident entities in Turkey, are not subject to withholding tax. However, dividends paid to individuals and entities outside these categories are subject to a withholding tax rate of 10%. The addition of profit to the capital is not considered as profit distribution, and withholding tax is not applied.

With the Presidential Decision No.7343 published in the Official Gazette dated 7 July 2023, for fully liable capital companies whose shares are traded on Borsa Istanbul, a withholding tax of 0% is applied to the amounts considered as distributed profits related to the acquisition of their own shares. This amendment will be applicable to shares acquired as of 7 July 2023. For fully liable capital companies other than those mentioned, a withholding tax rate of 15% will be applied to the amounts considered as distributed profits related to the acquisition of their own shares as of 7 July 2023.

Corporations calculate and declare provisional taxes based on their quarterly financial profits, paying them until the evening of the 17th day of the second month following the end of each period. The provisional tax paid during the year is credited against the Corporate Tax calculated on the Corporate Tax Return to be submitted for the subsequent year. Despite the offset, if there is an excess amount of provisional tax paid, this amount can be refunded in cash or offset against other financial obligations to the government.



**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****XVIII. EXPLANATIONS ON TAXATION (continued):****a. Current Tax (continued):**

75% portion of the capital gains derived from the sale of equity investments and immovable properties held for minimum two years before 5 December 2017, 50% portion of the capital gains derived from the sale of equity investments and immovable properties after 5 December 2017 are tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder's equity for 5 years. According to Turkish tax legislation, losses can be carried forward to offset against future taxable income for up to five years. However, losses cannot be carried back to offset profits from previous periods. With the Law No.7456 published on 15 July 2023, exception has been abolished for the real estates to be acquired after the publication date of decision. If real estate acquired before this date is sold after the effective date of the regulation, 25% of the capital gain from the sale of the real estate will be exempt from corporate tax.

In accordance with the repeated Article 298 of the Tax Procedure Law, if the increase in the producer price index is more than 100% in the last 3 accounting periods including the current period and more than 10% in the current accounting period, financial statements will be subject to inflation adjustment and these conditions have been realized as of 31 December 2021. However, with the "Law on Changes to the Tax Procedure Law and Corporate Tax Law" numbered 7352 published in the Official Gazette dates 29 January 2022, and numbered 31734, temporary article 33 has been added to the Tax Procedure Law numbered 213 and the 2021 and 2022 accounting periods, including the provisional tax periods (as of the accounting periods ending in 2022 and 2023 for those who are assigned a special accounting period) the financial statements as of 31 December 2023, will be subject to inflation adjustment within the scope of article 298 are realized, and the financial statements as of 31 December 2023, will be subject to inflation adjustment regardless of whether the conditions for inflation adjustment are met, and the profit/loss differences arising from the inflation adjustment will be recognized in retained earnings.

According to Article 17 of the Law No. 7491 on Amendments to Certain Laws and Decree Laws published in the Official Gazette No. 32413 dated 28 December 2023, it has become law that profit/loss differences arising from the inflation adjustment to be made in the 2024 and 2025 accounting periods, including the provisional tax periods, do not be taken into account in determining the income of banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361 dated 21 November 2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies. The President of the Republic is authorized to extend the periods determined within the scope of this paragraph by one accounting period, including the temporary tax periods.

According to the Amendment Notification to the General Communique (Serial No: 547) on the Tax Procedure Law, published in the Official Gazette numbered 32073 dated 14 January 2023, the procedures and principles regarding the revaluation of real estate and depreciable economic assets have been revised. Accordingly, the Bank has revalued its real estate and depreciable economic assets in its balance sheet until 30 September 2023, provided that it meets the conditions specified in Temporary Article 32 of the Tax Procedure Law and Article 298/ç of the Tax Procedure Code. Since the financial statements are subject to inflation adjustment as of 31 December 2023, real estates and depreciable contingent assets are not subject to revaluation as of 31 December 2023. Corporate tax is calculated by taking into account of real estates and depreciation units' amortized values which are calculated based on their revalued amounts until 30 September 2023.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):**

**XVIII. EXPLANATIONS ON TAXATION (continued):**

**b. Deferred Tax:**

The Bank calculates and accounts for deferred income taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in these financial statements in accordance with "Turkish Accounting Standard for Income Taxes" ("TAS 12") and the related decrees of the BRSA concerning income taxes.

The calculated deferred tax asset and deferred tax liability are presented as net in these financial statements.

Due to the fact that the change in the corporate tax rate that entered into force on 15 July 2023, will be taken into account in the taxation of corporate earnings for the periods valid from 1 January 2023, starting from 1 October 2023 under TAS 12, deferred tax has been calculated at the rate of 30% for assets and liabilities.

According to the temporary article 33 of the Tax Procedure Law, in the financial statements dated 30 September 2024, the tax effects resulting from the inflation reduction of corporate tax are included in the deferred tax programming as of 30 September 2024.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):**

**XIX. ADDITIONAL EXPLANATIONS ON BORROWINGS:**

The Bank fund resources in essence consist of borrowing from foreign financial institutions, issued securities and money market debt.

Financial liabilities and derivative transactions are valued with their fair values and other financial liabilities are carried at "amortized cost" using the effective interest method in the following periods.

The Bank utilizes various hedging techniques to minimize the currency, interest rate and liquidity risks of its financial liabilities. No convertible bonds have been issued by the Bank.

**XX. EXPLANATIONS ON ISSUANCE OF SHARE CERTIFICATES:**

Transaction costs regarding the issuance of share certificates are accounted under shareholders' equity after eliminating the tax effects.

**XXI. EXPLANATIONS ON AVALIZED DRAFTS AND ACCEPTANCES:**

Avalized drafts and acceptances shown as liabilities against assets are included in the "Off-balance sheet commitments".

**XXII. EXPLANATIONS ON GOVERNMENT GRANTS:**

As of 30 September 2024, the Bank does not have any government incentives or grants (31 December 2023: None).

**XXIII. EXPLANATIONS ON PROFIT RESERVES AND PROFIT DISTRIBUTION:**

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to the legal reserve requirement referred to below.

Under the Turkish Commercial Code ("TCC") the legal reserves are composed of first and second reserves. The TCC requires first reserves to be 5% of the profit until the total reserve is equal to 20% of issued and fully paid-in share capital. Second reserves are required to be 10% of all cash profit distributions that are in excess of 5% of the issued and fully paid-in share capital. However holding companies are exempt from this application. According to the Turkish Commercial Code, legal reserves can only be used to compensate accumulated losses and cannot be used for other purposes unless they exceed 50% of paid-in capital.

**EXPLANATIONS ON ACCOUNTING POLICIES FOR THE RELEVANT PERIOD (continued):****XXIV. EXPLANATIONS ON EARNINGS PER SHARE:**

Earnings per share disclosed in the income statement are calculated by dividing net profit/(loss) for the year to the weighted average number of shares outstanding during the period concerned.

	30 September 2024	30 September 2023
Net Income/(Loss) to be Appropriated to Ordinary Shareholders	2,501,708	2,002,375
Weighted Average Number of Issued Ordinary Shares (Thousand)	305,000,000	265,550,000
<b>Earnings/(Losses) Per Ordinary Shares (Disclosed as 1,000 nominal in full TL)</b>	<b>8.202</b>	<b>7.540</b>

Based on the Principal Agreement, the Bank has 1,000,000 founder's shares. According to the Principal Agreement, after allocating 5% to legal reserves and distributing 5% of the paid in capital, 10% of distributable amount is distributed to the owners of the founder's shares.

In Turkey, companies can increase their share capital by making a pro-rata distribution of "Bonus shares" to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of "Bonus shares" issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. In case bonus shares are distributed after the balance sheet date but before the preparation of the financial statements, earnings per share is calculated considering the new number of shares.

**XXV. EXPLANATIONS ON RELATED PARTIES:**

Parties defined in Article 49 of the Banking Law No.5411, Bank senior managers and board members are considered related parties within the scope of TAS 24. Transactions regarding related parties are presented in Note V. of Section Five.

**XXVI. EXPLANATIONS ON CASH AND CASH EQUIVALENTS:**

For the purposes of the cash flow statement, "Cash" includes cash effectives, cash in transit, purchased cheques and demand deposits including balances with the Central Bank; and "Cash Equivalents" include interbank money market placements, time deposits at banks with original maturity periods of less than three months and investments on marketable securities other than common stocks.

**XXVII. EXPLANATIONS ON SEGMENT REPORTING:**

Operational field is distinguishable section of the Bank that has different characteristics from other operational fields per earning and conducts the presentation of service group, associated bank products or a unique product. Operating segments are disclosed in Note X. in Section Four.

**XXVIII. RECLASSIFICATIONS:**

None.

**SECTION FOUR**

**INFORMATION RELATED TO THE FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK**

**I. EXPLANATIONS ON EQUITY:**

Total capital and Capital adequacy ratio have been calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks". As of 30 September 2024, the Bank's total capital has been calculated as TL 16,776,446 (31 December 2023: TL 13,176,220) and the capital adequacy ratio is 20.90% (31 December 2023: 22.36%).

As of 30 September 2024, within the scope of BRSA's instructions dated 21 December 2021, 28 April 2022, 31 January 2023 and 12 December 2023; in the calculation of the amount subject to credit risk, in accordance with the Regulation on Measurement and Evaluation of Capital Adequacy of Banks (Capital Adequacy Regulation) published in the Official Gazette dated 23 October 2015 and numbered 29511; when calculating the amounts of monetary assets and non-monetary assets, other than items in foreign currency measured at historical cost, valued in accordance with Accounting Standards and related special provisions, the simple arithmetic average of the Central Bank's foreign exchange buying rates as of 26 June 2023 was used and in case the net valuation differences of the securities held by the Bank in the portfolio of "Securities at Fair Value Reflected in Other Comprehensive Income" as of 1 January 2024 Decision date are negative, it is possible to ignore these differences in the amount of equity to be calculated in accordance with the Regulation on the Equity of Banks published in the Official Gazette dated 5 September 2013 and numbered 28756 and to be used for the capital adequacy ratio.

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****I. EXPLANATIONS ON EQUITY (continued):****a. Information about equity items:**

	Current Period 30 September 2024	Prior Period 31 December 2023
<b>COMMON EQUITY TIER I CAPITAL</b>		
Paid-in capital following all debts in terms of claim in liquidation of the Bank	3,050,000	3,050,000
Share issue premiums	-	-
Legal reserves	3,661,754	1,246,013
Gains recognized in equity as per TAS	461,654	706,515
Profit	2,646,271	2,560,304
Net Profit for the period	2,501,708	2,560,304
Prior Years' Profit	144,563	-
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognized within profit for the period	-	-
<b>Common Equity Tier I Capital Before Deductions</b>	<b>9,819,679</b>	<b>7,562,832</b>
<b>Deductions from Common Equity Tier I Capital</b>	<b>-</b>	<b>-</b>
Common Equity as per the (i) clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	64,733	199,527
Improvement costs for operating leasing	19,354	14,916
Goodwill net of related tax liability	-	-
Other intangibles other than mortgage-servicing rights net of related tax liability	189,775	143,355
Deferred tax assets that rely on future profitability excluding those arising from temporary differences net of related tax liability	-	-
Differences that are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	269,054	590,322
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions From Common Equity Tier I Capital</b>	<b>542,916</b>	<b>948,120</b>
<b>Total Common Equity Tier I Capital</b>	<b>9,276,763</b>	<b>6,614,712</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

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**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****I. EXPLANATIONS ON EQUITY (continued):****a. Information about equity items (continued):**

	Current Period 30 September 2024	Prior Period 31 December 2023
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	1,706,050	1,471,910
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
<b>Additional Tier I Capital before Deductions</b>	<b>1,706,050</b>	<b>1,471,910</b>
<b>Deductions from Additional Tier I Capital</b>		
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>		
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier I capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier I capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total deductions From Additional Tier I Capital</b>	<b>-</b>	<b>-</b>
<b>Total Additional Tier I Capital</b>	<b>1,706,050</b>	<b>1,471,910</b>
<b>Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)</b>	<b>10,982,813</b>	<b>8,086,622</b>
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	5,118,150	4,415,730
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	682,974	673,868
<b>Tier II Capital Before Deductions</b>	<b>5,801,124</b>	<b>5,089,598</b>
<b>Deductions From Tier II Capital</b>		
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	7,491	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	<b>7,491</b>	<b>-</b>
<b>Total Tier II Capital</b>	<b>5,793,633</b>	<b>5,089,598</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>16,776,446</b>	<b>13,176,220</b>
<b>Deductions from Total Capital</b>		
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovables Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA	-	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>		
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first and second sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds	-	-

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**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****I. EXPLANATIONS ON EQUITY (continued):****a. Information about equity items (continued):**

	Current Period 30 September 2024	Prior Period 31 December 2023
<b>EQUITY</b>		
<b>Total EQUITY (Sum of Tier I and Tier II capital)</b>	<b>16,776,446</b>	<b>13,176,220</b>
Total Risk Weighted Amounts	80,268,582	58,920,251
<b>CAPITAL ADEQUACY RATIOS</b>		
Core Capital Adequacy Ratio (%)	11.56	11.23
Tier I Capital Adequacy Ratio (%)	13.68	13.72
Capital Adequacy Ratio (%)	20.90	22.36
<b>BUFFERS</b>		
Total additional core capital requirement ratio (a+b+c)	2.541	2.541
a. Capital conservation buffer requirement (%)	2.500	2.500
b. Bank specific counter-cyclical capital buffer ratio (%)	0.041	0.041
c. Systematic significant bank buffer ratio (%)	-	-
The ratio of the Additional Common Equity Tier 1 to be calculated in accordance with the first paragraph of Article 4 of the Regulation on Capital Conservation and Countercyclical Capital Buffers to the amount of risk-weighted assets	7.06	6.73
<b>Amounts below the Excess Limits as per the Deduction Principles</b>		
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from the rights to provide mortgage services	-	-
Amount arising from deferred tax assets based on temporary differences	656,435	403,733
<b>Limits Related to Provisions Considered in Tier II Calculation</b>		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	682,974	916,921
Up to 1.25% of total risk-weighted amount of free provision for receivables where the standard approach used	682,974	673,868
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
<b>Debt instruments subjected to Article 4 (to be implemented between 1 January 2018 and 1 January 2022)</b>		
Upper limit for additional Tier I Capital subjected to temporary Article 4	-	-
Amounts excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-



**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):**

**I. EXPLANATIONS ON EQUITY (continued):**

**b. Information on the reconciliation of Total Capital and Shareholder's Equity:**

The difference between Total Capital and Shareholders' Equity in the unconsolidated balance sheet mainly arises from expected credit loss provisions (for stage I and stage II loans) and subordinated loans. As stated in Article 8 of the Regulation on Equities of Banks, up to 1.25% of the amount constituting the basis for credit risk of the First and Second Stage Losses Provisions and 100% of the remaining maturity of the subordinate loans over the nominal amount until they fall below 5 years, and the remaining portion by decreasing by 20% for each year less than 5 years, are considered as the "Supplementary Capital" item in the equity calculation constituting the basis for capital adequacy. In addition; In accordance with the Regulation, the operating lease development costs and Intangible Fixed Assets balances monitored under the Tangible Fixed Assets item in the balance sheet are considered as a deduction item from core capital in the equity calculation constituting the basis for capital adequacy calculation.

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**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****I. EXPLANATIONS ON EQUITY (continued):****c. Information on instruments related to equity calculation:**

<b>Information on instruments related to equity calculation:</b>		
Issuer – Loan grantor	Burgan Bank K.P.S.C.	Burgan Bank K.P.S.C.
Unique Identifier of the Debt Instrument	-	-
Governing Legislation of the Debt Instrument	BRSA	BRSA
Regulatory Treatment in Equity Calculation	Tier II Capital	Tier I Capital
Assessment whether it is subject to being taken into consideration as 10% decreased as of 1/1/2015	No	No
Validity status in a consolidated or unconsolidated basis or in a consolidated and unconsolidated basis	Unconsolidated – Consolidated	Unconsolidated - Consolidated
Debt instrument type	Subordinated loan	Subordinated loan
Amount recognized in equity calculation (As of most recent reporting date – Thousands TL)	5,118,150	1,706,050
Nominal value of debt instrument (Thousands USD)	150,000	50,000
The account number that the debt instrument is followed	Liability-Subordinated Loans-amortized cost	Liability-Subordinated Loans-amortized cost
Original date of issuance of the debt instrument	12.05.2022	22.02.2021
Maturity structure of the debt instrument (Perpetual/Dated)	Dated	Perpetual
Original maturity date of the debt instrument	10 Years	-
Whether the issuer has a right to call subject to BRSA approval	Yes	Yes
Optional call date, contingent call options and redemption amount	After 5th year	After 5th year
Subsequent call dates of call options	After 5th year	After 5th year
Coupon/dividend payments	3 Months	-
Fixed or floating interest/dividend payments	Floating dividend	-
Interest rate and any related index value	SOFR+4.25	-
Existence of a restriction which can stop dividend payments	-	-
Being fully discretionary, partially discretionary or mandatory	-	-
Existence of an interest rate increase or other incentive to call	-	-
Being noncumulative or cumulative	Noncumulative	Noncumulative
Being convertible or non-convertible to stock	None	None
If convertible to a stock, conversion trigger(s)	-	-
If convertible to a stock, fully or partially	-	-
If convertible to a stock, conversion rate	-	-
If convertible to a stock, mandatory or optional conversion	-	-
If convertible to a stock, specify instrument type convertible into	-	-
If convertible to a stock, issuer of debt instrument it converts into	-	-
Value reduction feature	None	-
If it has a value reduction feature, write-down trigger(s)	-	If unsustainability occurs, a decrease in value can be realized.
If it has a value reduction feature, fully or partially	-	Depreciation can be partially or completely realized.
If it has a value reduction feature, permanent or temporary	-	Constant
If temporary value reduction exists, description of value increase mechanism	-	-
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to this instrument)	Before debt instruments to be included in Additional Tier I capital calculation but after the deposit holders and all other creditors of the Debtor.	After the right to claim of the holder, the deposit holders, other creditors and contribution capital calculation included borrowings of the Debtor.
Whether it is in compliance with the terms in articles 7 and 8 of the Communiqué on Bank's Equities	None.	None.
The terms it is not in compliance within articles 7 and 8 of the Communiqué on Bank's Equities	None.	None.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****II. EXPLANATIONS ON RISK MANAGEMENT:****Overview of Risk Weighted Amounts**

Notes and explanations in this section have been prepared in accordance with the Communiqué on Disclosures about Risk Management to Be Announced to Public by Banks that have been published in Official Gazette no. 29511 on 23 October 2015 and became effective as of 31 March 2016. According to Communiqué have to be presented on a quarterly basis. Due to usage of standard approach for the calculation of capital adequacy by the Bank, the following tables have not been presented as of the date 30 September 2024:

- RWA flow statements of credit risk exposures under IRB
- RWA flow statements of CCR exposures under the Internal Model Method (IMM)
- RWA flow statements of market risk exposures under an IMA

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****II. EXPLANATIONS ON RISK MANAGEMENT (continued):****Overview of Risk Weighted Amounts (continued):**

		Risk Weighted Amounts		Minimum Capital Liability
		Current Period	Prior Period	Current Period
		30 September 2024	31 December 2023	30 September 2024
1	Credit risk (excluding counterparty credit risk) (CCR)	67,180,222	50,836,882	5,374,418
2	Standardized approach (SA)	67,180,222	50,836,882	5,374,418
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	1,245,122	3,072,561	99,610
5	Standardized approach for counterparty credit risk (SACCR)	1,245,122	3,072,561	99,610
6	Internal Model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-
8	Investments made in collective investment companies – look-through approach	-	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-	-
10	Investments made in collective investment companies – 1250% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-
14	IRB supervisory formula approach (SFA)	-	-	-
15	SA/simplified supervisory Formula Approach (SSFA)	-	-	-
16	Market risk	7,095,550	2,439,032	567,644
17	Standardized approach (SA)	7,095,550	2,439,032	567,644
18	Internal model approaches (IMM)	-	-	-
19	Operational risk	4,747,688	2,571,776	379,815
20	Basic indicator approach	4,747,688	2,571,776	379,815
21	Standard approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustments	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>80,268,582</b>	<b>58,920,251</b>	<b>6,421,487</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****III. EXPLANATIONS ON CURRENCY RISK:**

The difference between the Bank's foreign currency denominated and foreign currency indexed on- and off-balance sheet assets and liabilities is defined as the "Net Foreign Currency Position" and it is the basis of currency risk. Another important dimension of the currency risk is the change in the exchange rates of different foreign currencies in Net Foreign Currency Position (cross currency risk).

A series of limits for the tenure of daily and forward foreign exchange positions are designated as approved the Board of Directors. The Bank has a short-term conservative foreign currency position management policy.

The Bank's publicly announced foreign exchange bid rates as of the date of the financial statements and for the last five days prior to that date:

	EUR		USD	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
<b>Currency Buying Rate</b>	TL 38.1714	TL 32.5739	TL 34.1210	TL 29.4382
1st Day's Currency Buying Rate	TL 38.1714	TL 32.5739	TL 34.1210	TL 29.4382
2nd Day's Currency Buying Rate	TL 38.0180	TL 32.6937	TL 34.0900	TL 29.3973
3rd Day's Currency Buying Rate	TL 38.0092	TL 32.4186	TL 34.0982	TL 29.3374
4th Day's Currency Buying Rate	TL 38.1426	TL 32.2421	TL 34.0894	TL 29.2647
5th Day's Currency Buying Rate	TL 37.9305	TL 32.1766	TL 34.0815	TL 29.2108

The simple arithmetic average of the Bank's foreign exchange bid rates for the last thirty days preceding the balance sheet date for major foreign currencies are shown below:

	EUR		USD	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Arithmetic average - 30 days	TL 37.7456	TL 31.7509	TL 33.9660	TL 29.0619

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****III. EXPLANATIONS ON CURRENCY RISK (continued):****Information on currency risk of the Bank:**

	EUR	USD	Other FC	Total
<b>30 September 2024</b>				
<b>Assets</b>				
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	227,882	3,971,926	559,178	4,758,986
Banks	134,661	171,602	1,306,757	1,613,020
Financial Assets at Fair Value Through Profit or Loss <sup>(1)</sup>	157,628	1,479,620	-	1,637,248
Interbank Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	1,219,003	2,329,791	-	3,548,794
Loans <sup>(2)</sup>	16,510,795	7,891,841	-	24,402,636
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-
Financial Assets Measured at Amortized Cost	997,431	3,734,614	-	4,732,045
Hedging Derivative Financial Assets <sup>(1)</sup>	76,801	143,346	-	220,147
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets <sup>(4)</sup>	107,833	212,861	18	320,712
<b>Total Assets</b>	<b>19,432,034</b>	<b>19,935,601</b>	<b>1,865,953</b>	<b>41,233,588</b>
<b>Liabilities</b>				
Bank Deposits	79,846	641,790	-	721,636
Foreign Currency Deposits	3,302,648	5,613,257	2,226,983	11,142,888
Funds From Interbank Money Market	215,447	3,043,595	-	3,259,042
Funds Borrowed From Other Financial Institutions	5,877,021	25,896,582	-	31,773,603
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	1,034,235	753,019	8,744	1,795,998
Hedging Derivative Financial Liabilities <sup>(3)</sup>	42,337	37,882	-	80,219
Other Liabilities <sup>(4)</sup>	127,893	248,361	283	376,537
<b>Total Liabilities</b>	<b>10,679,427</b>	<b>36,234,486</b>	<b>2,236,010</b>	<b>49,149,923</b>
<b>Net On-balance Sheet Position</b>	<b>8,752,607</b>	<b>(16,298,885)</b>	<b>(370,057)</b>	<b>(7,916,335)</b>
<b>Net Off-balance Sheet Position</b>	<b>(8,633,233)</b>	<b>14,653,466</b>	<b>386,932</b>	<b>6,407,165</b>
Financial Derivative Assets	1,096,883	21,592,734	933,350	23,622,967
Financial Derivative Liabilities	9,730,116	6,939,268	546,418	17,215,802
<b>Non-Cash Loans <sup>(5)</sup></b>	<b>3,161,930</b>	<b>6,574,489</b>	<b>137,624</b>	<b>9,874,043</b>
<b>31 December 2023</b>				
Total Assets	17,231,320	15,016,082	621,238	32,868,640
Total Liabilities	13,206,432	25,640,477	1,457,601	40,304,510
<b>Net On-balance Sheet Position</b>	<b>4,024,888</b>	<b>(10,624,395)</b>	<b>(836,363)</b>	<b>(7,435,870)</b>
<b>Net Off-balance Sheet Position</b>	<b>(3,839,281)</b>	<b>11,033,505</b>	<b>879,384</b>	<b>8,073,608</b>
Financial Derivative Assets	7,050,433	26,211,648	1,050,889	34,312,970
Financial Derivative Liabilities	10,889,714	15,178,143	171,505	26,239,362
<b>Non-Cash Loans <sup>(5)</sup></b>	<b>1,301,062</b>	<b>4,821,679</b>	<b>113,301</b>	<b>6,236,042</b>

<sup>(1)</sup> TL 50,965 (31 December 2023: TL 537,672) derivative financial instruments income accruals are not included.<sup>(2)</sup> Foreign currency indexed loans amounting to TL 77,951 (31 December 2023: TL 86,152) are included in the table above. TL 290,857 (31 December 2023: TL 654,461) "Expected Loss Provisions" are included in the table.<sup>(3)</sup> TL 42,461 (31 December 2023: TL 403,230) "derivative financial instruments expense accruals" are not included in the table.<sup>(4)</sup> Prepaid Expenses amounting to TL 6,127 in Other Assets are not included in the table. "Investments in securities valuation differences" and "Hedge funds" amounting to TL 198,172 (31 December 2023: TL 576,374) and "Free provision" in Other Liabilities are not included in the table (31 December 2023: TL 561,681). TL 9,227 "Provisions for Non-cash Loans First and Second Stage Expected Losses" are included in the table.<sup>(5)</sup> Non-cash loans are not included in the total of "Net Off-Balance Sheet Position".

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****IV. EXPLANATIONS ON INTEREST RATE RISK:**

Interest rate risk is the risk that expresses the effects of fluctuations in the market interest rates on the value increase/decrease of the Bank's interest rate sensitive assets and liabilities. The interest sensitivity of risks regarding the interest rate both on the on-balance sheet and off-balance sheet are monitored following several analyses and are discussed in Asset and Liability Committee weekly.

The Bank closely monitors the maturity gap between liabilities and assets that may arise in the balance sheet to manage the interest rate risk better. Additionally, interest rate swaps and cross currency swaps that are followed under banking accounts and aim to hedge risks are conducted by the Treasury, Capital Markets and Financial Institutions Group. Liquidity management is critical in the combination of investments, securities which fair value difference reflected in other comprehensive income and the trading portfolio. Through using these precautions, the possible loss effects on the shareholders' equity due to both credit risk and interest risk during the volatile periods of the market are minimized.

**a. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates (As for the remaining time to repricing):**

30 September 2024	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets <sup>(1)</sup></b>							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	4,000,206	-	-	-	-	5,886,393	9,886,599
Banks	-	-	-	-	-	1,613,651	1,613,651
Financial Assets at Fair Value Through Profit or Loss <sup>(2)</sup>	1,018,944	516,880	1,585,044	707,424	971,059	339,758	5,139,109
Interbank Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	1,001,503	1,606,234	374,799	2,550,251	2,804,061	7,674	8,344,522
Loans Given <sup>(3)</sup>	16,341,529	8,119,301	15,054,406	10,299,660	2,465,556	619,651	52,900,103
Financial Assets Measured at Amortized Cost <sup>(4)</sup>	57,162	2,491,819	5,602,790	2,200,638	2,903,618	-	13,256,027
Other Assets <sup>(5)</sup>	-	-	-	-	-	9,629,013	9,629,013
<b>Total Assets</b>	<b>22,419,344</b>	<b>12,734,234</b>	<b>22,617,039</b>	<b>15,757,973</b>	<b>9,144,294</b>	<b>18,096,140</b>	<b>100,769,024</b>
<b>Liabilities</b>							
Bank Deposits	597,208	-	-	-	-	124,902	722,110
Other Deposits	25,283,536	7,429,773	1,354,888	14,720	-	10,869,239	44,952,156
Payables to Interbank Money Market	2,233,257	903,276	1,725,368	650,715	-	-	5,512,616
Miscellaneous Payables <sup>(6)</sup>	-	-	-	-	-	2,609,076	2,609,076
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	3,202,273	8,836,695	18,374,752	-	-	1,706,051	32,119,771
Other Liabilities <sup>(6)(7)</sup>	371,328	247,262	445,858	617,478	-	13,171,369	14,853,295
<b>Total Liabilities</b>	<b>31,687,602</b>	<b>17,417,006</b>	<b>21,900,866</b>	<b>1,282,913</b>	<b>-</b>	<b>28,480,637</b>	<b>100,769,024</b>
<b>Balance Sheet Long Position</b>	<b>-</b>	<b>-</b>	<b>716,173</b>	<b>14,475,060</b>	<b>9,144,294</b>	<b>-</b>	<b>24,335,527</b>
<b>Balance Sheet Short Position</b>	<b>(9,268,258)</b>	<b>(4,682,772)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,384,497)</b>	<b>(24,335,527)</b>
Off-balance Sheet Long Position	-	-	-	2,891,331	-	-	2,891,331
Off-balance Sheet Short Position	(724,084)	(1,984,757)	(855,318)	-	-	-	(3,564,159)
<b>Total Position</b>	<b>(9,992,342)</b>	<b>(6,667,529)</b>	<b>(139,145)</b>	<b>17,366,391</b>	<b>9,144,294</b>	<b>(10,384,497)</b>	<b>(672,828)</b>

<sup>(1)</sup> Assets are shown with their net values in their related period by deducting allowances for expected credit losses.

<sup>(2)</sup> Financial Assets at Fair Value Through Profit or Loss includes derivative financial assets amounting to TL 2,867,133 classified to a related re-pricing periods.

<sup>(3)</sup> Loans Given item includes TL 1,006,802 Expected Loss Provisions.

<sup>(4)</sup> Financial Assets Measured at Amortized Cost item includes Expected Loss Provisions of TL 172.

<sup>(5)</sup> Other Assets item consists of TL 1,700,265 Assets Held For Sale From Discontinued Operations, TL 3,577,841 Partnership Investments, TL 518,040 Tangible Assets, TL 198,789 Intangible Assets, TL 32,614 Deferred Tax Asset and TL 3,426,455 Other Assets.

<sup>(6)</sup> Other Liabilities item includes derivative financial liabilities amounting to TL 1,551,948 classified to a related re-pricing periods. Other Liabilities and Miscellaneous Payables consist of TL 1,551,948 Financial Derivate Liabilities, TL 129,979 Lease Liabilities, TL 1,228,488 Provisions, TL 270,564 Current Tax Liability, TL 4,698,206 Other Liabilities and TL 9,583,186 Shareholder's Equity.

<sup>(7)</sup> Shareholders' Equity is presented in the Non-Interest Bearing column.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****IV. EXPLANATIONS ON INTEREST RATE RISK (continued):****a. Interest rate sensitivity of assets, liabilities and off-balance sheet items based on repricing dates (As for the remaining time to repricing) (continued):**

<b>31 December 2023</b>	<b>Up to 1 Month</b>	<b>1-3 Months</b>	<b>3-12 Months</b>	<b>1-5 Years</b>	<b>5 Years and Over</b>	<b>Non-Interest Bearing</b>	<b>Total</b>
<b>Assets <sup>(1)</sup></b>							
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with The Central Bank of the Republic of Turkey	3,477,961	-	-	-	-	7,137,895	10,615,856
Banks <sup>(1)</sup>	-	-	-	-	-	1,203,956	1,203,956
Financial Assets at Fair Value Through Profit or Loss <sup>(2)</sup>	2,084,301	1,610,342	267,469	118,789	37,112	749,918	4,867,931
Interbank Money Market Placements	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	754,522	769,581	429,104	478,595	570,247	7,674	3,009,723
Loans Given <sup>(3)</sup>	14,586,352	6,771,514	13,019,258	7,892,624	2,195,882	592,594	45,058,224
Financial Assets Measured at Amortized Cost <sup>(4)</sup>	814,877	3,542,803	1,776,380	2,075,656	1,455,471	-	9,665,187
Other Assets <sup>(5)</sup>	-	-	-	-	-	6,020,670	6,020,670
<b>Total Assets</b>	<b>21,718,013</b>	<b>12,694,240</b>	<b>15,492,211</b>	<b>10,565,664</b>	<b>4,258,712</b>	<b>15,712,707</b>	<b>80,441,547</b>
<b>Liabilities</b>							
Bank Deposits	-	-	-	-	-	25,241	25,241
Other Deposits	27,079,420	5,113,324	1,316,411	1,968	-	7,142,401	40,653,524
Payables to Interbank Money Market	2,349,364	679,543	781,852	617,670	-	-	4,428,429
Miscellaneous Payables	-	-	-	-	-	3,870,544	3,870,544
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Financial Institutions	1,409,143	11,289,153	4,410,837	-	-	1,472,299	18,581,432
Other Liabilities <sup>(6)(7)</sup>	1,039,083	370,393	512,156	354,500	3,493	10,602,752	12,882,377
<b>Total Liabilities</b>	<b>31,877,010</b>	<b>17,452,413</b>	<b>7,021,256</b>	<b>974,138</b>	<b>3,493</b>	<b>23,113,237</b>	<b>80,441,547</b>
<b>Balance Sheet Long Position</b>	-	-	<b>8,470,955</b>	<b>9,591,526</b>	<b>4,255,219</b>	-	<b>22,317,700</b>
<b>Balance Sheet Short Position</b>	<b>(10,158,997)</b>	<b>(4,758,173)</b>	-	-	-	<b>(7,400,530)</b>	<b>(22,317,700)</b>
Off-balance Sheet Long Position	-	-	889,269	1,762,285	21,827	-	2,673,381
Off-balance Sheet Short Position	(377,811)	(2,456,108)	-	-	-	-	(2,833,919)
<b>Total Position</b>	<b>(10,536,808)</b>	<b>(7,214,281)</b>	<b>9,360,224</b>	<b>11,353,811</b>	<b>4,277,046</b>	<b>(7,400,530)</b>	<b>(160,538)</b>

<sup>(1)</sup> Assets are shown with their net values in their related period by deducting allowances for expected credit losses.<sup>(2)</sup> Financial Assets at Fair Value Through Profit or Loss includes derivative financial assets amounting to TL 4,051,737 classified to a related re-pricing periods.<sup>(3)</sup> Loans Given item includes TL 1,198,021 Expected Loss Provisions.<sup>(4)</sup> Financial Assets Measured at Amortized Cost item includes Expected Loss Provisions of TL 47.<sup>(5)</sup> Other Assets item consists of TL 1,805,136 Assets Held For Sale From Discontinued Operations, TL 2,388,445 Partnership Investments, TL 455,412 Tangible Assets, TL 150,123 Intangible Assets, 1,188,578 Other Assets.<sup>(6)</sup> Other Liabilities item includes derivative financial liabilities amounting to TL 2,332,871 classified to a related re-pricing periods, Other Liabilities and Miscellaneous Payables consist of TL 2,332,871 Financial Derivate Liabilities, TL 93,936 Lease Liabilities, TL 1,693,213 Provisions, TL 164,745 Current Tax Liability, TL 453,518 Deferred Tax Liability, TL 4,624,961 Other Liabilities and TL 7,389,677 Shareholder's Equity.<sup>(7)</sup> Shareholders' Equity is presented in the Non-Interest Bearing column.



**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****IV. EXPLANATIONS ON INTEREST RATE RISK (continued):****b. Average interest rates for monetary financial instruments:**

Average interest rates in the tables below are calculated by weighting simple interest rates with principal amounts.

<b>30 September 2024</b>	<b>EUR</b>	<b>USD</b>	<b>Yen</b>	<b>TL</b>
<b>Assets</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	-	-	-	-
Banks	-	-	-	-
Financial Assets at Fair Value Through Profit/Loss	5.47	7.29	-	34.12
Interbank Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	5.12	6.61	-	35.65
Loans Given	7.42	8.77	-	47.74
Financial Assets Measured at Amortized Cost	4.12	8.10	-	35.27
<b>Liabilities</b>				
Bank Deposits (*)	-	5.02	-	-
Other Deposits (*)	-	-	-	42.27
Payables to Interbank Money Market	5.17	5.88	-	49.98
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed From Other Financial Institutions	6.26	6.52	-	46.98

(\*) Demand deposits are included in the weighted average interest rate calculation.

<b>31 December 2023</b>	<b>EUR</b>	<b>USD</b>	<b>Yen</b>	<b>TL</b>
<b>Assets</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of the Republic of Turkey	-	-	-	-
Banks	-	4.72	-	-
Financial Assets at Fair Value Through Profit/Loss	5.37	8.29	-	23.71
Interbank Money Market Placements	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	4.75	7.81	-	46.80
Loans Given	7.73	10.52	-	42.65
Financial Assets Measured at Amortized Cost	3.89	8.44	-	48.74
<b>Liabilities</b>				
Bank Deposits (*)	-	-	-	-
Other Deposits (*)	1.45	2.98	-	37.21
Payables to Interbank Money Market	5.90	6.42	-	41.45
Miscellaneous Payables	-	-	-	-
Marketable Securities Issued	-	-	-	-
Funds Borrowed From Other Financial Institutions	7.38	7.02	-	36.42

(\*) Demand deposits are included in the weighted average interest rate calculation.

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****IV. EXPLANATIONS ON INTEREST RATE RISK (continued):****c. Interest rate risk resulting from banking accounts:**

1. The measurement frequency of the interest rate risk with important estimations including those relating to the quality of the interest rate resulting from banking accounts, advance loan repayment and movements of deposits other than time deposits is explained by the following:

Interest rate risk resulting from the banking accounts is measured according to the month-end balance in accordance with "Regulation No, 28034 on Measurement and Evaluation of Interest Rate Risk resulting from Banking Accounts with Standard Shock Method", dated 23 August 2011.

Interest sensitive items are taken into consideration in accordance with the re-pricing period and depending on the estimated cash flows. Demand deposits are taken into account based on the core deposit calculations. The change calculated by implementing interest rate shocks on the differences created in accordance with the re-pricing periods of the assets and liabilities in the banking accounts is proportioned to the equities.

2. The table below presents the economic value differences of the Bank resulting from fluctuations in interest rates in accordance with the "Regulation on Measurement and Evaluation of Interest Rate Risk resulting from Banking Accounts with Standard Shock Method" under sections divided into different currencies.

	Applied Shock (+/- x basis point)	Earnings/Losses	Earnings/ Equities-Losses/Equities
1. TL	+500 bp	(123,652)	(0.7)%
2. TL	-400 bp	113,653	0.7%
3. EUR	+200 bp	(486,934)	(2.9)%
4. EUR	-200 bp	567,125	3.4%
5. USD	+200 bp	(493,646)	(2.9)%
6. USD	-200 bp	600,747	3.6%
<b>Total (For Negative Shocks)</b>		<b>1,281,525</b>	<b>7.7%</b>
<b>Total (For Positive Shocks)</b>		<b>(1,104,232)</b>	<b>(6.5)%</b>

**V. EXPLANATIONS ON SHARE CERTIFICATE POSITION RISK:**

None.

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):**

**VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO:**

Liquidity risk is the risk generated as a result of not having an effect or cash inflow at a level which can meet cash outflow, formed because of an imbalance in cash flow, timely and completely.

Effective liquidity risk management requires assigning appropriate staff for measurement and monitoring and timely informing management of the Bank. Board of Directors and senior management is responsible to understand the nature and level of the liquidity risk taken by the Bank and the instruments measuring these risks. Additionally, Board of Directors and Senior Management are responsible for the compliance of funding strategies to risk tolerance which is determined to be applied.

Liquidity risk management framework of the Bank is determined with "Risk Management Policy" and "Liquidity Risk Policy" documents approved by Bank's Board of Directors and "Risk Management Policy" and "Treasury Policy" and "Assets & Liabilities Management Committee (ALCO)" in scope of banking legislation.

Liquidity management is primarily under the responsibility of ALCO in accordance with the Liquidity Risk Management of the Bank. Treasury, Capital Markets and Financial Corporations Group are responsible to perform required actions in accordance with the liquidity standards determined in accordance with the Liquidity Risk Policy. Market Risk Departments is secondarily responsible and it is responsible to control and report compliance with the limits. Detailed information related to periodic and specific reports related to liquidity risk, stress tests, scenario tests, scenario analysis, compliance with risk limits and legal liquidity reports are included in Liquidity Risk Policy of the Bank.

Liquidity risk exposed by the Bank, risk appetite, liquidity risk reduction appropriate to liquidity and funding policies (diversification of funding sources and maturities, derivative transactions), establishment of effective control environment, risk limits, early warning and triggering market indicators are managed through monitoring closely.

The liquidity risk is removed by short term placements, liquid marketable assets wallet and strong equity structure in the management of liquidity risk. Board of Directors of Bank can perform limit reduction regardless of credit value in current placement limits when the volatility in markets increases. Management of the Bank and ALCO monitors possible marginal costs of payments and spurts as a result of studies made in scope of scenario analysis while tracking interest margin in diversified maturity segments between assets and liabilities. Borrowing limits which can be used in short-term for spurts from Central Bank, BIST Repo Market, Takasbank Money Market and banks are applied at a minimum level. The Bank does not need to use these sources because of its current liquidity position but it uses the aforementioned limits for short-term transaction opportunities. Assets, liabilities and positions on the basis of main types of currencies (currencies forming at least 5% of Bank's total liabilities) are managed under the control of Treasury and Capital Markets.

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE  
RATIO (continued):**

Although the Bank is responsible to comply with liquidity limitations which are determined in Liquidity Risk Policy, it is primarily obliged with minimum liquidity limits determined by the legal legislation. There should be no excess in liquidity limits in accordance with the Bank's policy. Acceptation of current risk level, reduction or termination of activities causing to risk are evaluated for the risk which are not reduced. The actions, which shall be taken if there is an excess in the legal and internal limits, are detailed in Liquidity Risk Policy of the Bank. Overflow which is formed in liquidity ratios tracked according to legal limitations is eliminated in the period which is also determined by legal legislation.

Triggering market indicators are indicators which are tracked as early warning signals before the transition to stress environment which can form in the market as a result of ordinary business condition. Early warning limits related to liquidity risk in Bank are determined and aforementioned limits are monitored closely with the triggering market indicators.

Market Risk Department reports results of scenarios related to liquidity risk to Board of Directors, Risk Coordination Committee, Risk Committee and ALCO through making monthly calculations based on stress scenarios. These stress tests identify negative market conditions and potential fund outflows which occur in funding resources in a liquidity crisis. The purpose of stress test is to inform related committees and Board of Directors regarding liquidity outflows and derogation which can occur in the liquidity ratios of the Bank. Required actions are taken by ALCO if there are similar situations mentioned in stress scenarios, The Market Risk Unit conducts stress tests more frequently during periods of high volatility and shares the results with the relevant managements.

The Bank does not serve a function as a central funding institution in its relationship with its partnerships. Intra-group liquidity management and funding strategies are limited to related legal limitations.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE  
RATIO (continued):****Liquidity Coverage Ratio:**

30 September 2024		Unweighted Amounts (*)		Weighted Amounts (*)	
		TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>					
<b>1</b>	<b>High quality liquid assets</b>			<b>21,205,234</b>	<b>8,728,980</b>
<b>CASH OUTFLOWS</b>					
<b>2</b>	<b>Real person deposits and retail deposits</b>	<b>33,552,077</b>	<b>11,187,777</b>	<b>2,918,039</b>	<b>1,118,778</b>
3	Stable deposits	8,743,380	-	437,169	-
4	Less stable deposits	24,808,697	11,187,777	2,480,870	1,118,778
<b>5</b>	<b>Unsecured debts excluding real person deposits and retail deposits</b>	<b>11,322,177</b>	<b>6,910,446</b>	<b>7,597,239</b>	<b>4,592,960</b>
6	Operational deposits	2,626,622	1,670,018	656,656	417,504
7	Non-operational deposits	4,399,211	2,617,221	2,644,239	1,552,249
8	Other unsecured funding	4,296,344	2,623,207	4,296,344	2,623,207
<b>9</b>	<b>Secured funding</b>	-	-	-	-
<b>10</b>	<b>Other cash outflows</b>	<b>2,395,340</b>	<b>3,483,952</b>	<b>2,395,340</b>	<b>3,483,952</b>
11	Derivative and collateral liabilities	2,395,340	3,483,952	2,395,340	3,483,952
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
<b>14</b>	<b>Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments</b>	-	-	-	-
<b>15</b>	<b>Other irrevocable or conditionally revocable commitments</b>	<b>21,851,714</b>	<b>9,727,756</b>	<b>3,630,890</b>	<b>1,323,089</b>
<b>16</b>	<b>TOTAL CASH OUTFLOWS</b>			<b>16,541,508</b>	<b>10,518,779</b>
<b>CASH INFLOWS</b>					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	6,070,738	2,622,864	4,435,513	2,464,044
19	Other cash inflows	31,609	10,438	31,609	10,438
<b>20</b>	<b>TOTAL CASH INFLOWS</b>	<b>6,102,347</b>	<b>2,633,302</b>	<b>4,467,122</b>	<b>2,474,482</b>
				<b>Upper Limit Applied Values</b>	
<b>21</b>	<b>TOTAL HIGH QUALITY LIQUID ASSETS</b>			<b>21,205,234</b>	<b>8,728,980</b>
<b>22</b>	<b>TOTAL NET CASH OUTFLOWS</b>			<b>12,074,386</b>	<b>8,044,297</b>
<b>23</b>	<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>175.62</b>	<b>108.51</b>

(\*) The simple arithmetic average calculated for the last three months of the values calculated by taking the weekly simple arithmetic average was taken.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE  
RATIO (continued):****Liquidity Coverage Ratio (continued):**

31 December 2023		Unweighted Amounts <sup>(*)</sup>		Weighted Amounts <sup>(*)</sup>	
		TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>					
<b>1</b>	<b>High quality liquid assets</b>			<b>17,528,383</b>	<b>7,127,423</b>
<b>CASH OUTFLOWS</b>					
<b>2</b>	<b>Real person deposits and retail deposits</b>	<b>33,506,202</b>	<b>16,291,085</b>	<b>3,101,155</b>	<b>1,629,109</b>
3	Stable deposits	4,989,313	-	249,466	-
4	Less stable deposits	28,516,889	16,291,085	2,851,689	1,629,109
<b>5</b>	<b>Unsecured debts excluding real person deposits and retail deposits</b>	<b>9,475,919</b>	<b>5,799,882</b>	<b>5,885,869</b>	<b>3,518,588</b>
6	Operational deposits	2,162,790	1,263,593	540,697	315,898
7	Non-operational deposits	4,773,826	2,911,630	2,805,869	1,578,031
8	Other unsecured funding	2,539,303	1,624,659	2,539,303	1,624,659
<b>9</b>	<b>Secured funding</b>	-	-	-	-
<b>10</b>	<b>Other cash outflows</b>	<b>2,393,077</b>	<b>2,419,160</b>	<b>2,393,078</b>	<b>2,419,159</b>
11	Derivative and collateral liabilities	2,393,077	2,419,160	2,393,078	2,419,159
12	Debts related to the structured financial products	-	-	-	-
13	Commitment related to debts to financial markets and other off balance sheet liabilities	-	-	-	-
<b>14</b>	<b>Commitments that are unconditionally revocable at any time by the Bank and other contractual commitments</b>	-	-	-	-
<b>15</b>	<b>Other irrevocable or conditionally revocable commitments</b>	<b>14,987,219</b>	<b>6,514,637</b>	<b>2,448,953</b>	<b>982,594</b>
<b>16</b>	<b>TOTAL CASH OUTFLOWS</b>			<b>13,829,055</b>	<b>8,549,450</b>
<b>CASH INFLOWS</b>					
17	Secured receivables	-	-	-	-
18	Unsecured receivables	6,993,679	1,929,247	4,818,510	1,327,055
19	Other cash inflows	208,153	2,931,823	208,153	2,931,823
<b>20</b>	<b>TOTAL CASH INFLOWS</b>	<b>7,201,832</b>	<b>4,861,070</b>	<b>5,026,663</b>	<b>4,258,878</b>
		<b>Upper Limit Applied Values</b>			
<b>21</b>	<b>TOTAL HIGH QUALITY LIQUID ASSETS</b>			<b>17,528,383</b>	<b>7,127,423</b>
<b>22</b>	<b>TOTAL NET CASH OUTFLOWS</b>			<b>8,802,392</b>	<b>4,290,572</b>
<b>23</b>	<b>LIQUIDITY COVERAGE RATIO (%)</b>			<b>199.13</b>	<b>166.12</b>

(\*) The simple arithmetic average calculated for the last three months of the values calculated by taking the weekly simple arithmetic average was taken.

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (continued):**

Liquidity coverage rate is calculated through estimating high quality liquid assets owned by the Bank to net cash out flows based on 30 days of maturity. Balance items which are determinant on the ratio are sorted as required reserves kept in Central Bank of the Republic of Turkey, securities which are not subject to repo/guarantee, deposit having a corporate transaction, banks deposits, foreign sourced funds and receivables from banks. The impacts of aforementioned items on liquidity coverage ratio are higher than other items since they have a higher share in liquid assets and net cash out flows and they can change in time.

High quality liquid assets of the Bank consist of accounts in Central Bank of the Republic of Turkey, at a ratio of 33% and securities issued by Undersecretariat of Treasury at a ratio of 64%. The fund resources are distributed among deposits of individuals and retail, corporate deposits and due to bank debts at ratios of 16%, 34% and 21%, respectively.

Fluctuations in foreign currency derivative transaction volumes, mainly in foreign currency swaps, can have an impact on foreign currency liquidity coverage rate although derivative transactions generate a lower level of net cash flow with respect to liquidity coverage rate.

Absolute value of net warrant flows realized as of 30 days periods for each transaction and liability are calculated provided that changes in fair values of derivative transactions and other liabilities can form a margin liability in accordance with "Regulation on Calculation of Liquidity Coverage Ratio of Banks" entered into force through publishing in Official Gazette dated 21 March 2014 and numbered 28948. The biggest absolute value, which is calculated in the last 24 months, is taken into consideration as cash outflow. Calculations for derivative transactions and other liabilities, having a flow history shorter than 24 months, are performed from the date in which the transaction is triggered. Information related to the aforementioned cash outflow occurred on 30 September 2024 is given below:

Date	FC	FC+TL
30 September 2024	2,392,122	2,392,122

Liquidity coverage rates are calculated weekly for unconsolidated basis and monthly for consolidated basis as of 31 December 2015 in accordance with the "Regulation on Calculation of Liquidity Coverage Ratio of Banks" published in Official Gazette dated 21 March 2014 and numbered 28948. Liquidity coverage rates must be at least 80% for foreign currency assets and liabilities and at least 100% in total assets and liabilities for the period 30 September 2024. Dates and values of lowest and highest foreign currency and total unconsolidated liquidity coverage rates calculated weekly related to the last quarter and average rates are explained in the table below:

Current Period	Maximum (%)		Minimum (%)	
	TL+FC	FC	TL+FC	FC
Weekly Arithmetic Average (%)	231.75	144.49	133.80	84.35
Week	23.08.2024	19.07.2024	02.08.2024	09.08.2024

Prior Period	Maximum (%)		Minimum (%)	
	TL+FC	FC	TL+FC	FC
Weekly Arithmetic Average (%)	275.52	296.76	148.32	113.88
Week	13.10.2023	10.11.2023	24.11.2023	6.10.2023

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**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (continued):****Breakdown of assets and liabilities according to their outstanding maturities:**

30 September 2024	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 years	5 Years and Over	Undistributable <sup>(6)</sup>	Total
<b>Assets <sup>(1)</sup></b>								
Cash (Cash in Vault, Effectives, Cash in Transit, Cheques Purchased) and Balances with the CBRT	4,117,587	5,769,012	-	-	-	-	-	9,886,599
Banks	1,500,359	-	-	-	-	-	113,292	1,613,651
Financial Assets at Fair Value Through Profit or Loss <sup>(2)</sup>	-	169,153	186,756	922,833	2,490,970	1,029,639	339,758	5,139,109
Interbank Money Market Placements	-	-	-	-	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	113,982	96,327	899,588	4,386,958	2,839,993	7,674	8,344,522
Loans Given <sup>(3)</sup>	-	8,323,149	9,072,990	16,414,602	15,037,172	3,432,539	619,651	52,900,103
Financial Assets Measured at Amortized Cost <sup>(4)</sup>	-	74,422	727,573	4,841,133	2,862,791	4,750,108	-	13,256,027
Other Assets <sup>(5) (6)</sup>	-	1,155,209	-	59,407	-	-	8,414,397	9,629,013
<b>Total Assets</b>	<b>5,617,946</b>	<b>15,604,927</b>	<b>10,083,646</b>	<b>23,137,563</b>	<b>24,777,891</b>	<b>12,052,279</b>	<b>9,494,772</b>	<b>100,769,024</b>
<b>Liabilities</b>								
Bank Deposits	124,902	597,208	-	-	-	-	-	722,110
Other Deposits	10,869,239	25,283,536	7,429,773	1,354,888	14,720	-	-	44,952,156
Funds Borrowed From Other Financial Institutions	-	2,874,620	3,087,828	19,269,177	1,706,050	5,182,096	-	32,119,771
Payables to Interbank Money Market	-	2,289,497	903,276	1,725,368	594,475	-	-	5,512,616
Marketable Securities Issued	-	-	-	-	-	-	-	-
Miscellaneous Payables <sup>(7)</sup>	-	138,146	-	-	-	-	2,470,930	2,609,076
Other Liabilities <sup>(7) (8)</sup>	-	1,939,292	148,046	418,045	940,798	-	11,407,114	14,853,295
<b>Total Liabilities</b>	<b>10,994,141</b>	<b>33,122,299</b>	<b>11,568,923</b>	<b>22,767,478</b>	<b>3,256,043</b>	<b>5,182,096</b>	<b>13,878,044</b>	<b>100,769,024</b>
<b>Liquidity Gap</b>	<b>(5,376,195)</b>	<b>(17,517,372)</b>	<b>(1,485,277)</b>	<b>370,085</b>	<b>21,521,848</b>	<b>6,870,183</b>	<b>(4,383,272)</b>	<b>-</b>
<b>Net Off-balance sheet Position</b>	<b>-</b>	<b>134,250</b>	<b>(25,028)</b>	<b>(278,572)</b>	<b>(196,415)</b>	<b>-</b>	<b>-</b>	<b>(365,765)</b>
Receivables from Financial Derivative Assets	-	15,057,527	5,982,587	10,553,049	5,213,111	-	-	36,806,274
Payables to Financial Derivative Liabilities	-	(14,923,277)	(6,007,615)	(10,831,621)	(5,409,526)	-	-	(37,172,039)
<b>Non-cash Loans</b>	<b>-</b>	<b>10,845,498</b>	<b>3,384,906</b>	<b>6,430,722</b>	<b>870,568</b>	<b>52,003</b>	<b>-</b>	<b>21,583,697</b>
<b>31 December 2023</b>								
<b>Total Assets</b>	<b>4,735,574</b>	<b>15,483,713</b>	<b>9,548,952</b>	<b>14,483,396</b>	<b>20,890,446</b>	<b>7,910,212</b>	<b>7,389,254</b>	<b>80,441,547</b>
<b>Total Liabilities</b>	<b>7,167,642</b>	<b>32,347,671</b>	<b>12,897,366</b>	<b>6,958,184</b>	<b>3,332,020</b>	<b>4,474,688</b>	<b>13,263,976</b>	<b>80,441,547</b>
<b>Liquidity Gap</b>	<b>(2,432,068)</b>	<b>(16,863,958)</b>	<b>(3,348,414)</b>	<b>7,525,212</b>	<b>17,558,426</b>	<b>3,435,524</b>	<b>(5,874,722)</b>	<b>-</b>
<b>Net Off-balance sheet Position</b>	<b>-</b>	<b>(17,093)</b>	<b>85,890</b>	<b>679,516</b>	<b>505,817</b>	<b>280,393</b>	<b>-</b>	<b>1,534,523</b>
Financial Derivative Assets	-	22,655,009	9,052,616	8,539,911	6,060,639	2,744,813	-	49,052,988
Financial Derivative Liabilities	-	(22,672,102)	(8,966,726)	(7,860,395)	(5,554,822)	(2,464,420)	-	(47,518,465)
<b>Non-cash Loans</b>	<b>-</b>	<b>7,552,861</b>	<b>1,800,587</b>	<b>4,522,316</b>	<b>757,615</b>	<b>34,376</b>	<b>-</b>	<b>14,667,755</b>

<sup>(1)</sup> Assets are shown with their net values in their related period by deducting allowances for expected credit losses.<sup>(2)</sup> Financial Assets at Fair Value Through Profit or Loss includes derivative financial assets amounting to TL 2,867,133 classified to a related maturity period.<sup>(3)</sup> Loans Given item include TL 1,006,802 Expected Loss Provisions.<sup>(4)</sup> Financial Assets Measured at Amortized Cost item includes Expected Loss Provisions of TL 172.<sup>(5)</sup> Other Assets item consists of TL 1,700,265 Assets Held For Sale From Discontinued Operations, TL 3,577,841 Partnership Investment, TL 518,040 Tangible Assets, TL 198,789 Intangible Assets, TL 32,614 Deferred Tax Asset and TL 3,426,455 Other Assets.<sup>(6)</sup> Active accounts that make up the balance sheet, accounts such as fixed assets, associates and subsidiaries and goods are shown in the "Unallocated" column in "Other Assets".<sup>(7)</sup> Other liabilities include derivative financial liabilities amounting to TL 1,551,948 classified to a related maturity period, Other Liabilities and Miscellaneous Payables consist of TL 1,551,948 Financial Derivate Liabilities, TL 129,979 Lease Liabilities, TL 1,228,488 Provisions, TL 270,564 Current Tax Liability, TL 4,698,206 Other Liabilities and TL 9,583,186 Shareholder's Equity.<sup>(8)</sup> Shareholders' equity is presented under the "Other liabilities" item in the "Undistributable" column.



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**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (continued):****Net Stable Funding Ratio:**

Net stable funding ratio (NSFR) is calculated by dividing the available stable funding amount by the required stable funding amount. Available stable funding includes the portion of banks' liabilities and capital that are expected to be permanent; and required stable funding refers to the portion of banks' onbalance sheet assets and off-balance sheet liabilities that are expected to be refunded.

Available stable funding amount is calculated by summing the amounts to be found after applying the relevant consideration rates determined within the scope of the legislation to the amounts of banks' liabilities and capital items valued in accordance with TFRS. Required stable funding amount will be found after applying the relevant consideration rates determined within the scope of the legislation to the value calculated by deducting the special provisions set aside in accordance with the Regulation on the Procedures and Principles on the Classification of Loans and the Provisions from the amounts of the banks' on-balance sheet assets and off-balance sheet liabilities valued in accordance with TFRS.

The three-month simple arithmetic average of the consolidated and unconsolidated NSFR calculated monthly as of capital calculation periods as of March, June, September and December cannot be less than one hundred percent.

Current Period		a	b	c	ç	d
		Unweighted Amount According to Residual Maturity				Total Weighted Amount
		Non Maturity	Residual maturity of less than 6 months	Residual maturity of six months and longer but less than one year	Residual maturity of one year or more	
<b>Available stable funding</b>						
1	Capital Instruments	10,495,162	-	-	6,831,691	17,326,853
2	Tier 1 Capital and Tier 2 Capital	10,495,162	-	-	6,831,691	17,326,853
3	Other Capital Instruments	-	-	-	-	-
4	Real-person and Retail Customer Deposits	4,236,045	29,895,595	683,923	21,956	31,805,634
5	Stable Deposits	390,839	8,592,740	52,197	1,564	8,585,473
6	Less Stable Deposits	3,845,207	21,302,855	631,726	20,392	23,220,162
7	Other Obligations	4,525,842	15,912,314	8,916,319	620,867	15,298,104
8	Operational deposits	-	5,620,471	-	-	2,810,236
9	Other Obligations	4,525,842	10,291,843	8,916,319	620,867	12,487,868
10	Liabilities equivalent to interconnected assets					
11	Other Liabilities	-	-	-	-	-
12	Derivative liabilities			24,006		
13	All other equity not included in the above categories	6,636,929	20,151,985	-	-	-
14	<b>Available stable funding</b>					<b>64,430,591</b>
<b>Required stable funding</b>						
15	High quality liquid assets					2,073,974
16	Deposits held at financial institutions for operational purposes	-	-	-	-	-
17	Performing Loans	1,621,454	24,557,413	28,750,966	27,130,081	40,921,001
18	Encumbered loans to financial institutions, where the loan is secured against Level 1 assets	-	-	-	-	-
19	Unencumbered loans to financial institutions or encumbered loans that are not secured against Level 1 assets	1,613,780	3,399,438	16,719,312	977,388	1,768,780
20	Loans to corporate customers, real persons and or retail customers, central banks, other than credit agencies and/or financial institutions	-	21,157,975	12,031,654	26,113,204	39,122,716
21	Loans with a risk weight of less than or equal to 35%	-	65,620	24,809	32	45,246
22	Residential mortgages	-	-	-	39,489	25,668
23	Residential mortgages with a risk weight of less than or equal to 35%	-	-	-	39,489	25,668
24	Securities that are not in default and do not qualify as HQLA and exchange-traded equities	7,674	-	-	-	3,837
25	Assets equivalent to interconnected liabilities					
26	Other Assets	-	-	-	-	11,851,613
27	Physical traded commodities, including gold	-				-
28	Initial margin posted or given guarantee fund to central counterparty			783,070		
29	Derivative Assets			-		-
30	Derivative Liabilities before the deduction of the variation margin			34,140		76,346
31	Other Assets not included above	10,545,718	-	-	606,146	11,151,864
32	Off-balance sheet commitments		22,980,868	142,658	6,519	1,156,502
33	<b>Total Required stable funding</b>					<b>56,003,090</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>115.05</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****VI. EXPLANATIONS ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (continued):****Net Stable Funding Ratio (continued):**

Prior Period	a	b	c	c	d
	Amount without Consideration Rate Applied According to Remaining Maturity				Total Amount with Consideration Applied
	Non Maturity	Term Less than 6 Months	6 Months to More than 6 Months and Less than 1 Year Term	1 year and more than 1 year term	
<b>Available stable funding</b>					
1 Capital Instruments	7,288,580	-	-	5,887,640	13,176,220
2 Tier 1 Capital and Tier 2 Capital	7,288,580	-	-	5,887,640	13,176,220
3 Other Capital Instruments	-	-	-	-	-
4 Real-person and Retail Customer Deposits	3,238,746	31,462,103	331,432	2,751	31,824,863
5 Stable Deposits	189,696	5,659,116	16,929	947	5,573,353
6 Less Stable Deposits	3,049,050	25,802,987	314,503	1,804	26,251,510
7 Other Obligations	945,418	10,010,101	1,217,248	627,316	6,713,699
8 Operational deposits	-	812,648	-	-	406,324
9 Other Obligations	945,418	9,197,453	1,217,248	627,316	6,307,375
10 Liabilities equivalent to interconnected assets					
11 Other Liabilities	-	-	-	-	-
12 Derivative liabilities			408,501		
13 All other equity not included in the above categories	7,560,263	11,888,441		-	-
14 <b>Available stable funding</b>					<b>51,714,782</b>
<b>Required stable funding</b>					
15 High quality liquid assets					717,418
16 Operational deposit/participation fund deposited in credit institutions or financial institutions	-	-	-	-	-
17 live receivables	445,958	25,726,154	5,030,985	21,958,582	32,530,592
18 Receivables from credit institutions or financial institutions whose collateral is first quality liquid assets	-	-	-	-	-
19 Unsecured or secured receivables from credit institutions or financial institutions whose collateral is not first quality liquid assets	438,284	4,805,388	-	-	786,551
20 Receivables from corporate customers, organizations, natural persons and retail customers, central governments, central banks and public institutions other than credit institutions or financial institutions	-	20,920,766	5,030,985	21,909,824	31,708,512
21 Receivables subject to a risk weight of 35% or less	-	36,008	8,140	23,687	45,761
22 Receivables secured by residential real estate mortgages	-	-	-	48,758	31,692
23 Receivables subject to a risk weight of 35% or less	-	-	-	48,758	31,692
24 Shares and debt instruments traded on the stock exchange that do not qualify as high quality liquid assets	7,674	-	-	-	3,837
25 Assets equivalent to interconnected liabilities					
26 Other assets	-	-	-	-	9,260,414
27 Commodities with physical delivery, including gold	-				-
28 Initial collateral of derivative contracts or guarantee fund given to the central counterparty			278,302		236,556
29 derivative assets			-		-
30 Amount of derivative liabilities before deducting variation margin			67,791		67,791
31 Other assets not listed above	8,328,751	-	-	627,316	8,956,067
32 Off-balance sheet liabilities		12,141,253	2,389,788	749,430	764,024
33 <b>Total Required stable funding</b>					<b>43,272,448</b>
34 <b>Net Stable Funding Ratio (%)</b>					<b>119.51</b>

The unconsolidated NSFR ratio for the third quarter months of 2024 and the last three months of 2023 is presented in the table below.

Period	Oran
31.07.2024	108.13
31.08.2024	113.78
30.09.2024	115.05
<b>3 Months Average</b>	<b>112.32</b>

Period	Oran
31.10.2023	126.39
30.11.2023	120.69
31.12.2023	119.51
<b>3 Months Average</b>	<b>122.20</b>

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****VII. EXPLANATIONS ON LEVERAGE RATIO:****Information on subjects that causes difference in leverage ratio between current and prior periods:**

As of 30 September 2024, leverage ratio of the Bank calculated from the arithmetic average of the three months is 8.47% (31 December 2023: 7.84%). This ratio is above the minimum required. The most important reason for the difference in leverage ratio between current and prior periods are the increase in balance sheet and off-balance sheet assets.

**Disclosure of leverage ratio template:**

	30 September 2024 <sup>(*)</sup>	31 December 2023 <sup>(*)</sup>
<b>Balance sheet assets</b>		
Balance sheet assets (excluding derivative financial assets and credit derivatives, including collaterals)	95,150,451	77,676,368
(Assets deducted from Core capital)	202,839	124,347
Total risk amount of balance sheet assets	94,947,612	77,552,021
<b>Derivative financial assets and credit derivatives</b>		
Cost of replenishment for derivative financial assets and credit derivatives	1,830,411	5,049,418
Potential credit risk amount of derivative financial assets and credit derivatives	273,548	439,220
Total risk amount of derivative financial assets and credit derivatives	2,103,959	5,488,638
<b>Financing transactions secured by marketable security or commodity</b>		
Risk amount of financing transactions secured by marketable security or commodity (excluding Balance sheet)	-	-
Risk amount arising from intermediary transactions	-	-
Total risk amount of financing transactions secured by marketable security or commodity	-	-
<b>Off-balance sheet transactions</b>		
Gross nominal amount of off-balance sheet transactions	29,307,607	18,376,940
(Correction amount due to multiplication with credit conversion rates)	-	-
Total risk of off-balance sheet transactions	29,307,607	18,376,940
<b>Capital and total risk</b>		
Core capital	10,693,057	7,949,325
Total risk amount	126,359,178	101,417,598
<b>Leverage ratio</b>		
Leverage ratio	8.47%	7.84%

<sup>(\*)</sup> Average amounts for three months.

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****VIII. EXPLANATIONS ON HEDGE TRANSACTIONS:**

As of 30 September 2024, The Bank applies cash flow hedge accounting using cross currency swap and interest rate swap in order to avoid interest rate fluctuations of FC deposits with an average maturity up to 3 months. The Bank implements effectiveness tests at each balance sheet date for hedge accounting; the effective parts are accounted as defined in TFRS 9, in financial statements under equity "Hedging Funds", whereas the amount concerning ineffective parts is associated with the statement of profit or loss.

As of the balance sheet date derivative financial assets of which carrying amount is TL 2,235,638 (31 December 2023: TL 2,541,045) and derivative financial payables of which carrying amount is TL 862,207 (31 December 2023: TL 932,699), are subject to hedge accounting as hedging instruments. As a result of the mentioned hedge accounting, fair value expense amounting to TL 321,268 (30 September 2023: TL 248,478 fair value income) after tax is recognized under the equity in the current period. Ineffective part is not available (31 December 2023: TL 2,064).

Hedging Instrument	Hedging Subject	Exposed Risk	Hedging Instruments Fair Value		Hedging Funds <sup>(*)</sup>	Ineffective Part Accounted in the Statement of Profit or Loss (Net)
			Assets	Liabilities		
Cross Currency Swap	Floating rate up to 3 month maturity FC deposits	Cash flow risk of changes in market interest rates	1,074,545	223,121	138,013	-
Interest Rate Swap	Floating rate up to 3 month maturity FC deposits	Cash flow risk of changes in market interest rates	1,161,093	639,086	131,041	-

<sup>(\*)</sup> Includes TAS 27 impacts and describes after tax amounts.

When hedge accounting of cash flow hedges cannot be maintained effectively as defined in TAS 39, the accounting application is ended. In case of deterioration of efficiency, the effective amounts, which are recognized under the equity due to the risk hedge accounting, are eliminated from equities in the periods or periods, when cash flow effects profit and losses (periods, when interest income or expenses are recognized) as re-classification adjustment and then it is re-classified in the profit and loss. There is no amount, which is transferred to statement of profit or loss due to the swaps, of which effectiveness is damaged or closed in the current period (31 December 2023: TL 2,064).

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK (continued):****IX. EXPLANATION ON THE ACTIVITIES CARRIED OUT ON BEHALF AND ACCOUNT OF OTHER PARTIES:**

The Bank carries out marketable security trading and custody services on behalf of customers and on their account. The details of items held in custody is given in Off-Balance Sheet Commitments.

**X. EXPLANATIONS ON OPERATING SEGMENTS:**

The Bank manages its banking operations through three main business units: retail banking, corporate and commercial banking and treasury.

Retail banking provides products and services to individual and private customers. Products and services include primarily deposit, loan, automatic payment services, internet banking and other various banking services.

Corporate and commercial banking provides loan, deposit, cash management products, foreign trade financing, non-cash loans, foreign currency transaction services and other corporate banking services to corporate clients.

Treasury transactions include fixed income security investments, fund management, foreign currency transactions, money market transactions, derivative transactions and other related services.

**Stated balance sheet and income statement items based on operating segments**

The prior period information is presented as of 31 December 2023 for balance sheet and 30 September 2023 for income statement items.

	<b>Retail Banking</b>	<b>Digital Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Asset Liability Management</b>	<b>Other and Undistributed</b>	<b>Total Operations of the Bank</b>
<b>30 September 2024</b>						
Net Interest Income	722,234	1,145,298	2,177,858	(1,718,685)	-	2,326,705
Net Fees and Commissions	4,786	26,416	264,228	-	-	295,430
Trading Profit/Loss	103,161	8,363	55,197	177,239	-	343,960
Other Operating Income	1,427	17,272	901,335	-	-	920,034
<b>Operating Income</b>	<b>831,608</b>	<b>1,197,349</b>	<b>3,398,618</b>	<b>(1,541,446)</b>	<b>-</b>	<b>3,886,129</b>
<b>Operating and Provision Expenses (-)</b>	<b>(569,306)</b>	<b>(730,119)</b>	<b>(844,792)</b>	<b>(276,355)</b>	<b>(420,542)</b>	<b>(2,841,114)</b>
<b>Net Operating Income</b>	<b>262,302</b>	<b>467,230</b>	<b>2,553,826</b>	<b>(1,817,801)</b>	<b>(420,542)</b>	<b>1,045,015</b>
Dividend Income	-	-	-	-	52	52
Profit/Loss from Subsidiaries Based on Equity Method	-	-	-	-	1,245,107	1,245,107
<b>Profit/Loss Before Tax</b>	<b>262,302</b>	<b>467,230</b>	<b>2,553,826</b>	<b>(1,817,801)</b>	<b>824,617</b>	<b>2,290,174</b>
Tax Provisions (-)	(78,691)	(140,169)	(596,348)	545,341	481,401	211,534
<b>Net Profit/Loss</b>	<b>183,611</b>	<b>327,061</b>	<b>1,957,478</b>	<b>(1,272,460)</b>	<b>1,306,018</b>	<b>2,501,708</b>
Segment Assets	1,279,495	5,516,279	48,643,671	35,700,566	-	91,140,011
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-	3,577,841	3,577,841
Unallocated Assets	-	-	-	-	6,051,172	6,051,172
<b>Total Assets</b>	<b>1,279,495</b>	<b>5,516,279</b>	<b>48,643,671</b>	<b>35,700,566</b>	<b>9,629,013</b>	<b>100,769,024</b>
Segments Liabilities	22,041,239	11,965,227	11,001,881	39,906,444	6,271,047	91,185,838
Unallocated Liabilities	-	-	-	-	9,583,186	9,583,186
<b>Total Liabilities</b>	<b>22,041,239</b>	<b>11,965,227</b>	<b>11,001,881</b>	<b>39,906,444</b>	<b>15,854,233</b>	<b>100,769,024</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION RELATED TO FINANCIAL STRUCTURE AND RISK MANAGEMENT OF THE BANK  
(continued):****X. EXPLANATIONS ON OPERATING SEGMENTS (continued):**

	<b>Retail Banking</b>	<b>Digital Banking</b>	<b>Corporate and Commercial Banking</b>	<b>Treasury and Asset Liability Management</b>	<b>Other and Undistributed</b>	<b>Total Operations of the Bank</b>
<b>30 September 2023</b>						
Net Interest Income	456,326	246,676	457,453	(863,843)	-	296,612
Net Fees and Commissions	1,360	(4,411)	722,260	-	-	719,209
Trading Profit/Loss	55,622	3,467	191,926	926,443	-	1,177,458
Other Operating Income	841	9,208	202,173	-	-	212,222
<b>Operating Income</b>	<b>514,149</b>	<b>254,940</b>	<b>1,573,812</b>	<b>62,600</b>	-	<b>2,405,501</b>
<b>Operating and Provision Expenses (-)</b>	<b>(274,373)</b>	<b>(181,118)</b>	<b>108,119</b>	<b>(147,324)</b>	<b>(223,219)</b>	<b>(717,915)</b>
<b>Net Operating Income</b>	<b>239,776</b>	<b>73,822</b>	<b>1,681,931</b>	<b>(84,724)</b>	<b>(223,219)</b>	<b>1,687,586</b>
Dividend Income	-	-	-	-	-	-
Profit/Loss from Subsidiaries Based on Equity Method	-	-	-	-	839,714	839,714
<b>Profit/Loss Before Tax</b>	<b>239,776</b>	<b>73,822</b>	<b>1,681,931</b>	<b>(84,724)</b>	<b>616,495</b>	<b>2,527,300</b>
Tax Provisions (-)	(71,933)	(22,147)	(643,472)	25,417	187,210	(524,925)
<b>Net Profit/Loss</b>	<b>167,843</b>	<b>51,675</b>	<b>1,038,459</b>	<b>(59,307)</b>	<b>803,705</b>	<b>2,002,375</b>
Segment Assets	3,077,238	4,495,141	33,658,304	23,538,380	-	64,769,063
Investments in Associates, Subsidiaries and Joint Ventures	-	-	-	-	2,313,255	2,313,255
Unallocated Assets	-	-	-	-	3,559,879	3,559,879
<b>Total Assets</b>	<b>3,077,238</b>	<b>4,495,141</b>	<b>33,658,304</b>	<b>23,538,380</b>	<b>5,873,134</b>	<b>70,642,197</b>
Segments Liabilities	20,435,664	6,517,460	7,460,836	20,521,333	8,412,730	63,348,023
Unallocated Liabilities	-	-	-	-	7,294,174	7,294,174
<b>Total Liabilities</b>	<b>20,435,664</b>	<b>6,517,460</b>	<b>7,460,836</b>	<b>20,521,333</b>	<b>15,706,904</b>	<b>70,642,197</b>

**SECTION FIVE****EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS****I. EXPLANATIONS AND NOTES RELATED TO ASSETS****a. Information related to cash and the account of Central Bank of the Republic of Turkey:**

## 1. Information on cash and the account of the CBRT:

	30 Septemeber 2024		31 December 2023	
	TL	FC	TL	FC
Cash/Foreign currency	54,994	500,929	35,594	700,550
Central Bank of Turkey	5,072,619	4,163,520	4,391,890	5,354,642
Other	-	94,537	-	133,180
<b>Total</b>	<b>5,127,613</b>	<b>4,758,986</b>	<b>4,427,484</b>	<b>6,188,372</b>

## 2. Information on the account of the CBRT:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Unrestricted Demand Account	5,072,619	2,633,221	4,391,890	2,596,976
Unrestricted Time Account	-	-	-	-
Restricted Time Account	-	1,530,299	-	2,757,666
<b>Total</b>	<b>5,072,619</b>	<b>4,163,520</b>	<b>4,391,890</b>	<b>5,354,642</b>

## 3. Information on Reserve Requirements:

The Bank establishes mandatory reserves with the CBRT for Turkish currency and foreign currency liabilities in accordance with the CBRT's "Communiqué No. 2013/15 on Required Reserves". Required reserves can be held in TL, USD, EUR and standard gold in accordance with the "Communiqué on Required Reserves" at the CBRT.

The required reserve rates at the CBRT for TL liabilities vary between 3% and 15% for TL deposits and other liabilities according to their maturities as of 30 September 2024 (31 December 2023: between 0% and 8%) for Turkish currency, excluding accounts provided with exchange rate/price protection support by the Central Bank, and between 22% and 33% (31 December 2023: between 10% and 30%) for accounts provided with exchange rate/price protection support by the Central Bank; and between 5% and 30% for foreign currency, depending on the maturity structure (31 December 2023: between 5% and 30%) for FX deposits. In addition to foreign currency deposits, a reserve requirement of 5% in TL is established.

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(continued):**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):**

**b. Information on Financial Assets at Fair Value Through Profit or Loss:**

1. Financial assets measured at fair value through profit/loss given as collateral / blocked:

As of 30 September 2024, there are TL 39,929 of financial assets measured at fair value through profit or loss given as collateral/blocked (31 December 2023: None).

2. Financial assets measured at fair value through profit/loss subject to repo transactions:

As of 30 September 2024, there are no financial assets at fair value through profit or loss that are subject to repo transactions (31 December 2023: None).



**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****c. Information on banks:**

## 1. Information on banks:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
<b>Banks</b>				
Domestic	759	-	311	500,680
Foreign	-	1,613,020	-	703,030
Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>759</b>	<b>1,613,020</b>	<b>311</b>	<b>1,203,710</b>

## 2. Information on foreign bank accounts:

	Unrestricted Balance		Restricted Balance	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
EU Countries	126,838	44,928	-	-
USA, Canada	61,509	111,653	-	-
OECD Countries (*)	1,367,734	492,413	-	-
Coastal Banking Regions	-	-	-	-
Other	56,939	54,036	-	-
<b>Total</b>	<b>1,613,020</b>	<b>703,030</b>	<b>-</b>	<b>-</b>

(\*) EU countries, OECD countries except USA and Canada.

**d. Information on Financial Assets at Fair Value Through Other Comprehensive Income:**

## 1. Financial assets measured at fair value through other comprehensive income given as collateral:

As of 30 September 2024, there are TL 717,096 financial assets measured at fair value through other comprehensive income given as collateral/blocked (31 December 2023: TL 1,602,712).

## 2. Financial assets measured at fair value through other comprehensive income subject to repo transactions:

As of 30 September 2024, there are TL 1,810,064 financial assets measured at fair value through other comprehensive income subject to repurchase agreements (31 December 2023: TL 1,314,677).

## 3. Information on financial assets at fair value through other comprehensive income:

	30 September 2024	31 December 2023
Debt Securities	8,385,804	3,096,588
Quoted on Stock Exchange	8,385,804	3,096,588
Not Quoted	-	-
Share Certificates	7,674	7,674
Quoted on Stock Exchange	-	-
Not Quoted	7,674	7,674
Impairment Provision (-)	48,956	94,539
<b>Total</b>	<b>8,344,522</b>	<b>3,009,723</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****e. Explanations on loans:**

1. Information on all types of loan or advance balances given to shareholders and employees of the Bank:

	30 September 2024		31 December 2023	
	Cash	Non-cash	Cash	Non-cash
Direct Loans Granted to Shareholders	-	64,305	-	21,373
Corporate Shareholders	-	64,305	-	21,373
Real Person Shareholders	-	-	-	-
Indirect Loans Granted to Shareholders	-	-	-	-
Loans Granted to Employees	4,251	-	4,646	-
<b>Total</b>	<b>4,251</b>	<b>64,305</b>	<b>4,646</b>	<b>21,373</b>

2. Information on the first and second group loans and other receivables including the loans that have been restructured or rescheduled and other receivables:

i.

Cash Loans	Standard Loans	Loans Under Close Monitoring		
		Loans Not Subject to Restructuring	Restructured Loans	
			Loans with Revised Contract Terms	Re-finance
Non-Specialized Loans	45,510,249	241,228	7,164,530	-
Loans given to enterprises	-	-	-	-
Export Loans	9,272,186	1,752	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	4,767,233	-	-	-
Consumer Loans	4,735,713	150,300	440	-
Credit Cards	106	-	-	-
Other*	26,735,011	89,176	7,164,090	-
Specialized Loans	-	-	-	-
Other Receivables	-	-	-	-
<b>Total</b>	<b>45,510,249</b>	<b>241,228</b>	<b>7,164,530</b>	<b>-</b>

(\*) Other item includes Factoring Receivables amounting to TL 9,516.

ii.

	Standard Loans	Loans Under Close Monitoring
<b>General provisions</b>	<b>66,040</b>	<b>569,515</b>
12 Month Expected Credit Losses	66,040	-
Significant Increase in Credit Risk	-	569,515

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****e. Explanations on loans (continued):****3. Information on consumer loans, individual credit cards, personnel loans and personnel credit cards:**

	Short-term	Medium and Long-term	Total
<b>Consumer Loans-TL</b>	<b>800,368</b>	<b>3,942,793</b>	<b>4,743,161</b>
Real estate loans	-	12,897	12,897
Automotive loans	205,961	2,198,568	2,404,529
Consumer loans	594,407	1,731,328	2,325,735
Other	-	-	-
<b>Consumer Loans-FC Indexed</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Consumer Loans-FC</b>	-	<b>5,728</b>	<b>5,728</b>
Real estate loans	-	5,728	5,728
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Individual Credit Cards-TL</b>	-	-	-
With installments	-	-	-
Without installments	-	-	-
<b>Individual Credit Cards-FC</b>	-	-	-
With installments	-	-	-
Without installments	-	-	-
<b>Personnel Loans-TL</b>	<b>1,303</b>	<b>2,842</b>	<b>4,145</b>
Real estate loans	-	-	-
Automotive loans	-	183	183
Consumer loans	1,303	2,659	3,962
Other	-	-	-
<b>Personnel Loans-FC Indexed</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	<b>106</b>	-	<b>106</b>
With installments	-	-	-
Without installments	106	-	106
<b>Personnel Credit Cards-FC</b>	-	-	-
With installments	-	-	-
Without installments	-	-	-
<b>Credit Deposit Account-TL (Real Person)</b>	<b>133,419</b>	-	<b>133,419</b>
<b>Credit Deposit Account-FC (Real Person)</b>	-	-	-
<b>Total</b>	<b>935,196</b>	<b>3,951,363</b>	<b>4,886,559</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****e. Explanations on loans (continued):****4. Information on commercial installment loans and corporate credit cards:**

	Short-Term	Medium and Long-Term	Total
<b>Commercial Installments Loans-TL</b>	<b>1,214,356</b>	<b>6,095,610</b>	<b>7,309,966</b>
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	1,214,356	6,095,610	7,309,966
Other	-	-	-
<b>Commercial Installments Loans-FC Indexed</b>	-	<b>77,951</b>	<b>77,951</b>
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	-	77,951	77,951
Other	-	-	-
<b>Commercial Installments Loans-FC</b>	<b>125,039</b>	<b>15,332,234</b>	<b>15,457,273</b>
Real estate Loans	-	-	-
Automotive Loans	-	-	-
Consumer Loans	125,039	15,332,234	15,457,273
Other	-	-	-
<b>Corporate Credit Cards-TL</b>	-	-	-
With installments	-	-	-
Without installments	-	-	-
<b>Corporate Credit Cards-FC</b>	-	-	-
With installments	-	-	-
Without installments	-	-	-
<b>Credit Deposit Account-TL (Legal Person)</b>	-	-	-
<b>Credit Deposit Account-FC (Legal Person)</b>	-	-	-
<b>Total</b>	<b>1,339,395</b>	<b>21,505,795</b>	<b>22,845,190</b>

**5. Loans according to types of borrowers:**

	30 September 2024	31 December 2023
Public	2,501,472	1,322,572
Private	50,414,535	44,043,256
<b>Total</b>	<b>52,916,007</b>	<b>45,365,828</b>

**6. Distribution of domestic and foreign loans:**

	30 September 2024	31 December 2023
Domestic Loans	52,916,007	45,345,715
Foreign Loans	-	20,113
<b>Total</b>	<b>52,916,007</b>	<b>45,365,828</b>

**7. Loans given to associates and subsidiaries:**

	30 September 2024	31 December 2023
Direct loans given to associates and subsidiaries	-	-
Indirect loans given to associates and subsidiaries	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****e. Explanations on loans (continued):****8. Specific provisions provided against loans:**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Substandard Loans	23,326	3,856
Doubtful Loans	17,221	1,128
Uncollectible Loans	330,700	292,839
<b>Total</b>	<b>371,247</b>	<b>297,823</b>

**9. Information on non-performing loans (Net):****i. Information on non-performing loans restructured or rescheduled and other receivables:**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Substandard Loans</b>	<b>Doubtful Loans</b>	<b>Uncollectible Loans</b>
<b>30 September 2024</b>			
Gross amounts before the Provisions	-	-	-
Restructured Loans	9	74	2,555
<b>31 December 2023</b>			
Gross amounts before the Provisions	-	-	-
Restructured Loans	39	-	6,247

**ii. Information on the movement of total non-performing loans:**

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Substandard Loans</b>	<b>Doubtful Loans</b>	<b>Uncollectible Loans</b>
<b>Prior Period End Balance</b>	<b>18,197</b>	<b>7,499</b>	<b>864,721</b>
Additions (+)	123,320	431	41,587
Transfers from Other Categories of Non-performing Loans (+)	-	62,798	6,818
Transfers to Other Categories of Non-performing Loans (-)	62,798	6,818	-
Collections (-)	27,755	16,915	19,831
Write-offs (-)	-	-	356
Sold Portfolio (-)	-	-	-
Corporate and Commercial Loans	-	-	-
Consumer Loans	-	-	-
Credit Cards	-	-	-
Other	-	-	-
<b>Balance at the End of the Period</b>	<b>50,964</b>	<b>46,995</b>	<b>892,939</b>
<b>Specific Provision (-)</b>	<b>23,326</b>	<b>17,221</b>	<b>330,700</b>
<b>Net Balance on Balance Sheet</b>	<b>27,638</b>	<b>29,774</b>	<b>562,239</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****e. Explanations on loans (continued):**

## iii. Information on non-performing loans granted as foreign currency loans:

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Substandard Loans</b>	<b>Doubtful Loans</b>	<b>Uncollectible Loans</b>
<b>30 September 2024</b>			
Period-End Balance	-	-	761,030
Specific Provision (-)	-	-	259,573
<b>Net Balance on balance sheet</b>	-	-	<b>501,457</b>
<b>31 December 2023</b>			
Period-End Balance	-	-	738,687
Specific Provision (-)	-	-	227,004
<b>Net Balance on balance sheet</b>	-	-	<b>511,683</b>

## iv. Information on gross and net amounts of non-performing loans based on types of borrowers:

	<b>Group III</b>	<b>Group IV</b>	<b>Group V</b>
	<b>Substandard Loans</b>	<b>Doubtful Loans</b>	<b>Uncollectible Loans</b>
<b>30 September 2024</b>			
<b>Current Period (Net)</b>	<b>27,638</b>	<b>29,774</b>	<b>562,239</b>
Loans Given to Real Persons and Legal Persons (Gross)	50,964	46,995	892,939
Provision Amount (-)	23,326	17,221	330,700
Loans Given to Real Persons and Legal Persons (Net)	27,638	29,774	562,239
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loans (Net)	-	-	-
<b>Prior Period (Net)</b>	<b>14,341</b>	<b>6,371</b>	<b>571,882</b>
Loans Given to Real Persons and Legal Persons (Gross)	18,197	7,499	864,721
Provision Amount (-)	3,856	1,128	292,839
Loans Given to Real Persons and Legal Persons (Net)	14,341	6,371	571,882
Banks (Gross)	-	-	-
Provision Amount (-)	-	-	-
Banks (Net)	-	-	-
Other Loans (Gross)	-	-	-
Provision Amount (-)	-	-	-
Other Loans (Net)	-	-	-

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):**

**I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):**

**e. Explanations on loans (continued):**

10. Policy followed-up for the collection of uncollectible loans and other receivables:

The Bank aims to collect uncollectible loans and other receivables are collected through the liquidation of collaterals by legal procedures.

11. Explanations of the write-off policy:

Within the scope of the amendment to the Banking Act, the Regulation on the Classification of Loans and the Procedures and Principles for the provisions to be allocated for them were also amended;

- Classified under Fifth Group-Uncollectible Loans,
- Part of the borrower's default for the lifetime expected credit losses or if there are no reasonable expectations for the recover of loans allocated in specific provision,
- From the first reporting period (interim or year-end reporting period) following their classification in the group,

It has been allowed to be written-off from the accounts under TFRS 9.

Accordingly, non-performing loans are tracked in off-balance sheet accounts by writing-off the records. This transaction is an accounting application that allows the transfer of the legal proceeding balance to the off-balance sheet by removing it from asset accounts and not the result of the Bank giving up the right to credit.

It is not compulsory that the entire receivable for collecting from registration has no possibility to collect, but it is possible to remove the part that does not have partial collection possibility from the assets.

In order to write-off any legal proceedings from the account;

- Classified under Fifth Group (Uncollectible Loans),
- 100% provision for the portion of the account balance that will be written-off,
- Either the legal proceedings to be continued or to be started, must be met.

Provisions allocated for amounts written-off from the accounts are considered "expense" in terms of tax legislation. The write-off process is only an accounting process and will continue the legal proceedings for the collection of the Bank's receivables. After the writing-off process, the balance in the off-balance sheet accounts will be collected for the part of the debt that is written-off from the account in full or part of the collection by agreeing with the borrower and the debtor's request.

As of 30 September 2024, the Bank has written-off its loans amounting to TL 356 (31 December 2023: TL 193,612).

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):**

- f. Information on interest accruals, rediscounts and valuation differences calculated for non-performing loans by banks that allocate expected credit losses in accordance with TFRS 9 and their provisions:

	Group III	Group IV	Group V
	Substandard Loans	Doubtful Loans	Uncollectible Loans
<b>Current Period (Net)</b>	<b>1,345</b>	<b>3,067</b>	<b>18,853</b>
Interest Accruals and Rediscounts and Valuation Differences	2,895	4,394	32,848
Provision Amount (-)	1,550	1,327	13,995
<b>Prior Period (Net)</b>	<b>86</b>	<b>3</b>	<b>17,679</b>
Interest Accruals and Rediscounts and Valuation Differences	125	9	34,184
Provision Amount (-)	39	6	16,505

- g. Information on financial assets measured at amortized cost:

1. Information on financial assets measured at amortized cost subject to repurchase agreements:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Bonds	-	-	-	-
Bonds and Similar Securities	1,492,332	3,318,212	1,670,222	3,031,657
Other	-	-	-	-
<b>Total</b>	<b>1,492,332</b>	<b>3,318,212</b>	<b>1,670,222</b>	<b>3,031,657</b>

2. Information on financial assets measured at amortized cost given as collateral/blocked:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Bonds	-	-	-	-
Bonds and Similar Securities	1,817,838	234,892	2,105,071	201,210
Other	-	-	-	-
<b>Total</b>	<b>1,817,838</b>	<b>234,892</b>	<b>2,105,071</b>	<b>201,210</b>

3. Information on government debt securities measured at amortized cost:

	30 September 2024	31 December 2023
Government Bond	12,801,293	9,665,234
Treasury Bond	-	-
Other Public Debt Securities	454,906	-
<b>Total</b>	<b>13,256,199</b>	<b>9,665,234</b>

4. Information on financial assets measured at amortized cost:

	30 September 2024	31 December 2023
Debt Securities	13,256,199	9,665,234
Publicly-traded	13,256,199	9,665,234
Not Publicly-traded	-	-
Provision for Impairment (-)	-	-
<b>Total</b>	<b>13,256,199</b>	<b>9,665,234</b>



**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****g. Information on financial assets measured at amortized cost (continued):****5. Movement of financial assets measured at amortized cost within the period:**

	30 September 2024	31 December 2023
Opening balance	9,665,234	5,380,706
Foreign exchange differences in monetary assets	484,431	947,068
Purchases during the year	2,067,236	2,178,641
Disposals through Sales and Redemptions	(1,497,642)	(594,021)
Increase in Value	2,536,940	1,752,840
Period end balance	13,256,199	9,665,234

**h. Information on associates (Net):**

None (31 December 2023: None).

**i. Information on subsidiaries (Net):****1. Information on unconsolidated subsidiaries:**

None (31 December 2023: None).

**2. Main financial figures of the unconsolidated subsidiaries in order of the below table:**

None (31 December 2023: None).

**3. Information on subsidiaries that are consolidated in consolidated accounts:**

	Title	Address (City/ Country)	Bank's Share Percentage, If Different Voting Percentage (%)	Bank Risk Group Share Percentage (%)
1	Burgan Finansal Kiralama A.Ş.	İstanbul/Turkey	99.99	99.99
2	Burgan Yatırım Menkul Değerler A.Ş.	İstanbul/Turkey	100.00	100.00

**4. Main financial figures of the consolidated subsidiaries in the order of the above table:**

	Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from Marketable Securities Portfolio	Current Period Profit/Loss	Prior Period Profit/ Loss	Fair value
1	13,224,196	2,913,095	4,387,886	2,518,744	-	1,139,825	742,627	-
2	1,110,868	664,829	19,650	283,352	760	105,282	97,087	-

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****i. Information on subsidiaries (Net) (continued):****5. Movement schedules of consolidated subsidiaries:**

	30 September 2024	31 December 2023
<b>Balance at the beginning of the Period</b>	<b>2,388,445</b>	<b>1,096,358</b>
<b>Movements during the Period</b>	<b>1,189,396</b>	<b>1,292,087</b>
Purchases	-	350,000
Bonus Shares Obtained	-	-
Dividends from Current Year Income (*)	1,245,107	965,707
Sales	-	-
Revaluation Increase / Decrease (*)	(55,711)	(23,620)
Impairment Provision	-	-
<b>Balance at the end of the Period</b>	<b>3,577,841</b>	<b>2,388,445</b>
<b>Capital Commitments</b>	-	-
<b>Share Percentage at the end of the Period (%)</b>	<b>99.99%</b>	<b>99.99%</b>

(\*) Includes the increases occurred as a result of the application of the equity method in accordance with TAS 27 disclosed.

**6. Sectoral information on consolidated financial subsidiaries and the related carrying amounts:**

<b>Subsidiaries</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	2,913,012	1,828,899
Finance Companies	-	-
Other Financial Subsidiaries	664,829	559,546
<b>Total</b>	<b>3,577,841</b>	<b>2,388,445</b>

**7. Subsidiaries quoted on stock exchange:**

None (31 December 2023: None).

**j. Information on jointly controlled partnerships (Joint Ventures):**

None (31 December 2023: None).

**k. Information on lease receivables (net):**

None (31 December 2023: None).

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****l. Information on derivative financial assets:**

## 1. Information on derivative financial assets at fair value through profit or loss:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Forward Transactions	189,551	15,703	60,271	1,037
Swap Transactions	336,188	54,587	1,010,350	431,986
Futures Transactions	3,335	-	1,205	-
Options	1,356	30,775	-	5,843
Other	-	-	-	-
<b>Total</b>	<b>530,430</b>	<b>101,065</b>	<b>1,071,826</b>	<b>438,866</b>

## 2. Information on derivative financial assets at fair value through other comprehensive income:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Fair Value Hedge	-	-	-	-
Cash Flow Hedge	2,011,083	224,555	1,425,932	1,115,113
Foreign Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>2,011,083</b>	<b>224,555</b>	<b>1,425,932</b>	<b>1,115,113</b>

**m. Information on investment property:**

None (31 December 2023: None).

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued):****n. Information on deferred tax asset/liability:**

As of 30 September 2024, Bank has netted-off the calculated deferred tax asset of TL 656,435 (31 December 2023: TL 380,745) and deferred tax liability amounting to TL 623,821 (31 December 2023: TL 834,263) in accordance with TAS 12 and has recorded a net deferred tax asset of TL 32,614 (31 December 2023: TL 453,518 net deferred tax liability) in the financial statements.

As of 30 September 2024 and 31 December 2023, the details of accumulated temporary differences and deferred tax assets and liabilities are as follows:

	Accumulated Temporary Differences		Deferred tax assets/liabilities	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Provision for Legal Cases and Other	39,993	12,508	11,998	3,752
Expected Loss Provisions	682,974	916,921	204,892	275,076
Employee Benefits Provision	397,337	323,297	119,201	96,989
Unearned Revenue	-	16,428	-	4,928
Difference Between Book Value and Tax Value and Tax Value of Fixed Assets	1,035,646	-	320,344	-
Other	-	-	-	-
<b>Deferred Tax Assets</b>	<b>2,155,950</b>	<b>1,269,154</b>	<b>656,435</b>	<b>380,745</b>
Unearned Revenue	6,945	-	2,083	-
Difference Between Book Value and Tax Value and Tax Value of Fixed Assets	-	342,608	-	87,862
Valuation Differences of Derivative Instruments	1,316,209	1,738,217	394,863	521,465
Other	490,875	1,024,492	226,875	224,936
<b>Deferred Tax Liabilities</b>	<b>1,814,029</b>	<b>3,105,317</b>	<b>623,821</b>	<b>834,263</b>
<b>Deferred Tax Assets/(Liabilities) (Net)</b>			<b>32,614</b>	<b>(453,518)</b>

The deferred tax asset/liability movement is as follows:

	30 September 2024	31 December 2023
<b>Balance as of 1 January</b>	<b>(453,518)</b>	<b>164,843</b>
Current year deferred tax income/(expense), net	377,923	(661,639)
Deferred tax recognized in equity, net <sup>(*)</sup>	108,209	43,278
<b>Period end balance</b>	<b>32,614</b>	<b>(453,518)</b>

<sup>(\*)</sup> In accordance with TAS 27 Equity Method, effect of deferred tax recognized as TL 23,831.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****I. EXPLANATIONS AND NOTES RELATED TO ASSETS (continued)****o. Information on assets held for sale and discontinued operations:**

The Bank has assets held for sale amounting to TL 1,700,265 (31 December 2023: TL 1,805,136) and has no discontinued operations.

<b>Prior Period</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Cost	1,805,412	855,576
Accumulated Depreciation (-)	276	287
<b>Net Book Value</b>	<b>1,805,136</b>	<b>855,289</b>
<b>Current Period</b>		
Net book value at beginning of the period	1,805,136	855,289
Additions	28,041	1,215,954
Disposals (-), net	132,912	266,107
Impairment (-)	-	-
Depreciation (-)	-	-
Cost at the End of the Period	1,700,541	1,805,412
Accumulated Depreciation at the End of the Period (-)	276	276
<b>Closing Net Book Value</b>	<b>1,700,265</b>	<b>1,805,136</b>

**p. Information on other assets:**

Other assets amount to TL 3,426,455 (31 December 2023: TL 1,188,578) and do not exceed 10% of the total assets excluding off-balance sheet commitments.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES****a. Information on deposits:****1. Information on maturity structure of deposits:****i. 30 September 2024:**

	<b>Demand</b>	<b>With 7 days notifications</b>	<b>Up to 1 month</b>	<b>1-3 months</b>	<b>3-6 months</b>	<b>6 months - 1 year</b>	<b>1 year and over</b>	<b>Accum. Deposit</b>	<b>Total</b>
Saving Deposits	990,852	-	4,712,858	11,242,426	4,381,651	1,191,078	638,672	-	23,157,537
Foreign Currency Deposits	4,365,654	-	1,243,226	3,600,388	272,102	23,483	52,488	-	9,557,341
Residents in Turkey	4,047,002	-	1,240,347	3,414,776	259,006	19,116	49,321	-	9,029,568
Residents Abroad	318,652	-	2,879	185,612	13,096	4,367	3,167	-	527,773
Public Sector Deposits	1,798,427	-	-	-	-	-	-	-	1,798,427
Commercial Deposits	2,101,554	-	1,255,752	4,267,056	663,933	426,690	98,090	-	8,813,075
Other Institutions Deposits	27,205	-	2,684	2,425	5,754	2,161	-	-	40,229
Precious Metal Deposits	1,585,547	-	-	-	-	-	-	-	1,585,547
Bank Deposits	124,902	-	597,208	-	-	-	-	-	722,110
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	108,744	-	-	-	-	-	-	-	108,744
Foreign Banks	16,158	-	597,208	-	-	-	-	-	613,366
Special Financial Institutions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10,994,141</b>	<b>-</b>	<b>7,811,728</b>	<b>19,112,295</b>	<b>5,323,440</b>	<b>1,643,412</b>	<b>789,250</b>	<b>-</b>	<b>45,674,266</b>

**ii. 31 December 2023:**

	<b>Demand</b>	<b>With 7 days notifications</b>	<b>Up to 1 month</b>	<b>1-3 months</b>	<b>3-6 months</b>	<b>6 months - 1 year</b>	<b>1 year and over</b>	<b>Accum. Deposit</b>	<b>Total</b>
Saving Deposits	463,844	-	4,966,288	6,650,887	4,276,197	917,691	308,748	-	17,583,655
Foreign Currency Deposits	3,816,222	-	1,723,132	8,174,267	727,982	96,740	146,188	-	14,684,531
Residents in Turkey	3,592,211	-	1,715,724	8,017,076	709,116	94,350	70,103	-	14,198,580
Residents Abroad	224,011	-	7,408	157,191	18,866	2,390	76,085	-	485,951
Public Sector Deposits	182,057	-	-	-	-	-	-	-	182,057
Commercial Deposits	2,125,567	-	126,033	4,840,314	304,220	230,968	17,492	-	7,644,594
Other Institutions Deposits	93,916	-	343	3,633	-	-	-	-	97,892
Precious Metal Deposits	460,795	-	-	-	-	-	-	-	460,795
Bank Deposits	25,241	-	-	-	-	-	-	-	25,241
The CBRT	-	-	-	-	-	-	-	-	-
Domestic Banks	28	-	-	-	-	-	-	-	28
Foreign Banks	25,213	-	-	-	-	-	-	-	25,213
Special Financial Institutions	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7,167,642</b>	<b>-</b>	<b>6,815,796</b>	<b>19,669,101</b>	<b>5,308,399</b>	<b>1,245,399</b>	<b>472,428</b>	<b>-</b>	<b>40,678,765</b>

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****a. Information on deposits (continued):****2. Information on saving deposits insurance:****i. Information on saving deposits under the guarantee of the saving deposits insurance fund and exceeding the limit of deposit insurance fund:**

<b>Saving Deposits</b>	<b>Under the guarantee of deposit insurance</b>		<b>Exceeding limit of the deposit insurance</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Saving Deposits	11,065,191	7,582,044	12,092,346	10,001,611
Foreign Currency Savings Deposit	1,746,833	1,589,772	4,301,164	9,154,369
Other Deposits in the Form of Savings Deposits	368,237	156,113	1,217,310	304,682
Foreign Branches' Deposits Under Foreign Authorities' Insurance	-	-	-	-
Off-shore Banking Regions' Deposits Under Foreign Authorities' Insurance	-	-	-	-
<b>Total</b>	<b>13,180,261</b>	<b>9,327,929</b>	<b>17,610,820</b>	<b>19,460,662</b>

(\*) In accordance with the "Regulation Amending the Regulation on the Insured Deposit and Participation Funds and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 27 August 2022 and numbered 31936 all deposits and participation funds, except those belonging to official institutions, credit institutions and financial institutions in the presence of credit institutions, are included in the insurance coverage and deposits of TL 375,377 which are covered by the insurance, are not included in the note above.

(\*\*) Deposit amount subject to insurance is TL 650 (31 December 2023: TL 400).

**ii. There are no deposits covered under foreign authorities' insurance since the Bank is incorporated in Turkey.****3. Saving deposits of real persons which are not under the guarantee of saving deposit insurance fund:**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Deposits and Other Accounts in Foreign Branches	-	-
Deposits and Other Accounts of Main Shareholders and their Families	-	-
Deposits and Other Accounts of President of Board of Directors, Members of Board of Directors, Vice General Managers and Their Families	190,724	74,119
Deposits and Other Accounts of Property Assets Value due to Crime which is in the Scope of Article 282 of Numbered 5237 "TCC" (Turkish Criminal Code) Dated 26 September 2004	-	-
Deposits in Banks Incorporated in Turkey Exclusively for Off-shore Banking Operations	-	-
<b>Total</b>	<b>190,724</b>	<b>74,119</b>

**b. Information on financial liabilities measured at fair value through profit or loss:**

None (31 December 2023: None).

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****c. Information on borrowings:**

## 1. Information on banks and other financial institutions:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Central Bank of Turkey Borrowings	-	-	-	-
From Domestic Banks and Institutions	1,580	-	10,555	-
From Foreign Banks, Institutions and Funds	344,588	24,885,456	-	12,627,772
<b>Total</b>	<b>346,168</b>	<b>24,885,456</b>	<b>10,555</b>	<b>12,627,772</b>

## 2. Information on maturity structure of borrowings:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Short-term	346,168	15,608,454	10,555	10,054,235
Medium and Long-term	-	9,277,002	-	2,573,537
<b>Total</b>	<b>346,168</b>	<b>24,885,456</b>	<b>10,555</b>	<b>12,627,772</b>

## 3. Additional information on the major concentration of the Bank's liabilities:

The Bank's main funding sources are deposits and borrowings, As of 30 September 2024, deposits and borrowings from Bank's risk group is covering 2.48% (31 December 2023: 1.31%) of total deposits. Besides this, Borrowings from Bank's risk group is covering 39.44% (31 December 2023: 72.40%) of subordinated and other borrowings.

**d. Information on marketable securities issued:**

None (31 December 2023: None).

**e. Information on other liabilities:**

Other foreign liabilities amounting to TL 4,698,206 (31 December 2023: TL 4,624,961) do not exceed 10% of the total of the balance sheet excluding off-balance sheet commitments.

**f. Information on lease payables:**

	30 September 2024		31 December 2023	
	Gross	Net	Gross	Net
Less Than 1 Year	22,778	13,378	1,355	1,270
Between 1-4 Years	79,927	57,342	77,361	62,068
More Than 4 Years	93,769	59,259	43,885	30,598
<b>Total</b>	<b>196,474</b>	<b>129,979</b>	<b>122,601</b>	<b>93,936</b>



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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****g. Information on derivative financial liabilities:**

1. Information on derivative financial liabilities at fair value through profit or loss:

Trading Derivative Financial Liabilities	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Forward Transactions	165,037	22,088	47,402	9,092
Swap Transactions	425,041	51,849	927,958	410,493
Futures Transactions	5,853	-	287	-
Options	-	19,873	-	4,940
Other	-	-	-	-
<b>Total</b>	<b>595,931</b>	<b>93,810</b>	<b>975,647</b>	<b>424,525</b>

2. Information on derivative financial liabilities at fair value through other comprehensive income:

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Fair Value Hedge	-	-	-	-
Cash Flow Hedge	801,920	60,287	693,435	239,264
Foreign Net Investment Hedge	-	-	-	-
<b>Total</b>	<b>801,920</b>	<b>60,287</b>	<b>693,435</b>	<b>239,264</b>

**h. Information on provisions:**

1. Information on reserve for employment termination benefits:

Under the Turkish Labor Law, the Bank is required to pay a specific amount to the employees who have been working more than one year, when employment is terminated due to obligatory reasons or they retire, when they have fulfilled 25 working years (for women 20 years) and are eligible for retirement (for women 58 years, for men 60 years), when they have been called up for military service or when they die. After the amendment of legislation on 23 May 2002, some of the transition process articles related to the working period before retirement were enacted.

The compensation to be paid is one month's salary for each year of service and this amount is limited by the severance pay ceiling. Employment termination benefits are not funded, as there is no funding requirement.

In accordance with Turkish Labor Law, the reserve has been calculated by estimating the present value of the future probable obligation of the Bank arising from the retirement of its employees, TAS 19 necessitates the actuarial valuation methods to calculate liabilities of enterprises. Independent actuaries are used in determining the liability of the Bank. There are assumptions in the calculation as discount rate, employee turnover and expected salary increases. In this context, the following actuarial assumptions are used in the calculation of total liabilities.

	30 September 2024	31 December 2023
Discount rate (%)	2.46	2.46
Salary increase rate (%)	22.61	22.61
Average remaining work period (Year)	12.97	12.97

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****h. Information on provisions (continued):**

Movement of reserve for employment termination benefits during the period:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Prior period balance	76,310	75,431
Service cost	11,853	10,577
Interest cost	11,772	7,249
Reductions and payments	(991)	-
Actuarial loss/gain	-	23,726
Benefits paid (-)	6,684	40,673
<b>Balance at the end of the period</b>	<b>92,260</b>	<b>76,310</b>

In addition, as of 30 September 2024, the Bank has accounted for vacation rights provision and personnel bonus provision amounting to TL 305,077 (31 December 2023: TL 246,987).

**2. Other Provisions:****i. Information on provisions related with foreign currency difference of foreign indexed loans:**

The provisions related to foreign currency differences of foreign indexed loans calculated as of the balance sheet date have been netted-off from the loan amount in the financial statements, and there is no the provision related to foreign currency differences of foreign indexed loans (31 December 2023: None).

**ii. Information on other provisions:**

The Bank set aside reserves under other provisions amounting to TL 754,189 (31 December 2023: TL 1,308,970) for free provision, TL 36,970 (31 December 2023: TL 48,438) for provisions for non-cash loans and commitments that are not converted to cash and not indemnified, TL 7,600 (31 December 2023: TL 6,561) for lawsuits and other provisions amounting to TL 32,392 (31 December 2023: TL 5,947).

**i. Information on taxes payable:****1. Information on tax provision:**

As of 30 September 2024, there is no corporate tax provision (31 December 2023: TL None).

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****i. Information on taxes payable (continued):****2. Information on taxes payable:**

	30 September 2024	31 December 2023
Corporate Tax Payable	-	-
Taxation on Securities Income	93,942	39,893
Taxation on Real Estates Income	802	230
Banking Insurance Transaction Tax	77,104	38,463
Foreign Exchange Transaction Tax	833	705
Value Added Tax Payable	2,622	12,142
Other	52,247	30,550
<b>Total</b>	<b>227,550</b>	<b>121,983</b>

**3. Information on premium payables:**

	30 September 2024	31 December 2023
Social Security Premiums-Employee	16,353	16,570
Social Security Premiums-Employer	22,821	22,763
Bank Social Aid Pension Fund Premiums-Employee	-	-
Bank Social Aid Pension Fund Premiums-Employer	-	-
Pension Fund Membership Fee and Provisions-Employee	-	-
Pension Fund Membership Fee and Provisions-Employer	-	-
Unemployment Insurance-Employee	1,023	1,014
Unemployment Insurance-Employer	2,046	2,029
Other	771	386
<b>Total</b>	<b>43,014</b>	<b>42,762</b>

**4. Explanations on deferred tax asset/liability:**

As of 30 September 2024, the Bank has netted-off the calculated deferred tax asset of TL 656,435 (31 December 2023: TL 380,745) and deferred tax liability of TL 623,821 (31 December 2023: TL 834,263) in accordance with TAS 12 and has recorded a net deferred tax asset of TL 32,614 (31 December 2023: TL 453,518 net deferred tax liability) in the financial statements.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****j. Information on payables for assets held for sale and discontinued operations:**

None (31 December 2023: None).

**k. Information on subordinated debt instruments:**

Detailed explanation on subordinated loans including quantity, maturity, interest rate, issuing institution, if available, option to be converted into stock certificate:

Issuing Institution	Amount	Opening Date	Maturity Date	Interest Rate (%)
Burgan Bank K.P.S.C. (Main Shareholder)	USD 150,000,000	12 May 2022	12 May 2032	SOFR+4.25
Burgan Bank K.P.S.C. (Main Shareholder)	USD 50,000,000	22 February 2021	Indefinite	-

The subordinated loan does not have the option to be converted into stock certificate.

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Domestic Banks	-	-	-	-
Other Domestic Institutions	-	-	-	-
Foreign Banks	-	6,888,147	-	5,943,105
Other Foreign Institutions	-	-	-	-
<b>Total</b>	-	<b>6,888,147</b>	-	<b>5,943,105</b>

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
<b>Debt Instruments Subject to Common Equity</b>	-	<b>1,706,050</b>	-	<b>1,471,910</b>
Subordinated Loans	-	1,706,050	-	1,471,910
Subordinated Debt Instruments	-	-	-	-
<b>Debt Instruments Subject to Tier 2 Equity</b>	-	<b>5,182,097</b>	-	<b>4,471,195</b>
Subordinated Loans	-	5,182,097	-	4,471,195
Subordinated Debt Instruments	-	-	-	-
<b>Total</b>	-	<b>6,888,147</b>	-	<b>5,943,105</b>

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****I. Information on shareholders' equity:**

## 1. Presentation of paid-in capital:

	30 September 2024	31 December 2023
Povision for Common Stock	3,050,000	3,050,000
Povision for Preferred Stock	-	-

## 2. Paid-in capital amount, explanation as to whether the registered share capital system is applied and if so, amount of registered share capital ceiling:

Capital System	Paid-in Capital	Ceiling
Registered Capital	3,050,000	6,000,000

## 3. Information on the share capital increases during the period and their sources:

None.

## 4. Information on capital increases from capital reserves during the current period:

None.

## 5. Information on capital commitments, up until the end of the fiscal year and the subsequent period:

None.

## 6. Information on equity by considering the prior period indications of income, profitability and liquidity of the Parent Bank and the uncertainties on these indicators:

The interest, liquidity and foreign exchange risk on on-balance sheet and off-balance sheet assets and liabilities are managed by the Bank within several risk limits and legal limits.

## 7. Information on privileges given to shares representing the capital:

Based on the Principal Agreement, the Bank has 1,000,000 founder's shares. According to the Principal Agreement, after allocating 5% to legal reserves and distributing 5% of the paid in capital, 10% of distributable amount is distributed to the owners of the founder's shares.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****II. EXPLANATIONS AND NOTES RELATED TO LIABILITIES (continued):****I. Information on shareholders' equity (continued):****8. Information on marketable securities valuation reserve:**

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
From Investments in Associates, Subsidiaries, and Joint Ventures	-	-	-	-
Valuation Difference	(181,819)	92,882	(118,481)	16,475
Foreign Currency Translation Difference	-	-	-	-
<b>Total</b>	<b>(181,819)</b>	<b>92,882</b>	<b>(118,481)</b>	<b>16,475</b>

**9. Information on tangible assets revaluation reserve:**

	30 September 2024		31 December 2023	
	TL	FC	TL	FC
Movables	-	-	-	-
Immovables	99,718	-	99,718	-
Common Stocks of Investments in Associates, Subsidiaries that will be added to the Capital and Sales Income from Immovables (*)	1,413	-	1,413	-

(\*) Classified under other capital reserves.

**10. Information on distribution of prior year's profit:**

In accordance with the decision of the Bank's Ordinary General Assembly Meeting held on 25 March 2024 TL 2,560,304 including the effects of TAS 27 Standard, which is the profit of 2023, was transferred to legal and extraordinary reserves.

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS:****a. Information on off balance sheet commitments:****1. The amount and type of irrevocable commitments:**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Currency forward buy/sell commitments	3,043,249	735,405
Securities buy/sale commitments	991,528	-
Loan allocation commitment with guaranteed usage	1,285,520	397,903
Commitments for cheques	182,229	141,403
Time deposit buy-sell commitments	-	-
Cheques blocked issued to customers	78,405	73,410
Commitments for credit card limits	195	-
<b>Total</b>	<b>5,581,126</b>	<b>1,348,121</b>

**2. Type and amount of probable losses and obligations arising from off-balance sheet items:**

There are no probable losses and obligations arising from off-balance sheet items, Obligations arising from off-balance sheet are disclosed in "Off-balance sheet commitments".

**i. Non-cash loans including guarantees, bank avalized and acceptance loans, collaterals that are accepted as financial commitments and other letters of credit:**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Letters of guarantee	10,624,638	7,936,300
Letters of credit	7,274,549	3,794,082
Bank acceptance loans	31,737	102,272
Other guarantees	3,652,773	2,835,101
<b>Total</b>	<b>21,583,697</b>	<b>14,667,755</b>

**ii. Revocable, irrevocable guarantees, contingencies and other similar guarantees:**

	<b>30 September 2024</b>		<b>31 December 2023</b>	
	<b>TL</b>	<b>FC</b>	<b>TL</b>	<b>FC</b>
Irrevocable Letters of Guarantee	3,579,637	1,231,843	3,384,273	1,037,105
Letters of Temporary Guarantees	83,804	25,735	31,340	171,802
Letters of Advance Guarantees	38,006	892,242	34,975	283,146
Letters of Guarantees Given to Customs	11,173	90,275	11,645	77,037
Other Letters of Guarantee	4,398,034	273,889	2,597,191	307,786
<b>Total</b>	<b>8,110,654</b>	<b>2,513,984</b>	<b>6,059,424</b>	<b>1,876,876</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****III. EXPLANATIONS AND NOTES RELATED TO OFF-BALANCE SHEET ACCOUNTS (continued):****a. Information on off balance sheet commitments (continued):****3. i. Total amount of non-cash loans:**

	30 September 2024	31 December 2023
Non-cash loans given against cash loans	4,645,366	2,889,499
With original maturity of 1 year or less than 1 year	-	-
With original maturity of more than 1 year	4,645,366	2,889,499
Other non-cash loans	16,938,331	11,778,256
<b>Total</b>	<b>21,583,697</b>	<b>14,667,755</b>

**ii. Information on non-cash loans classified in groups I and II:**

Current Period (*)	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	8,095,380	2,381,918	9,445	126,248
Aval and Acceptance Credit	27,700	4,037	-	-
Letters of Credit	-	6,942,031	-	332,518
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	3,571,300	81,473	-	-
<b>Total</b>	<b>11,694,380</b>	<b>9,409,459</b>	<b>9,445</b>	<b>458,766</b>

(\*) In addition to the non-cash loans stated in the table above, the Bank has non-cash loans amounting to TL 11,647, which is classified as total non-performing loans. As of 30 September 2024, the Bank has allocated provision amounting to TL 8,891 for these loans.

Prior Period (*)	Group I		Group II	
	TL	FC	TL	FC
Letters of Guarantee	6,031,977	1,770,685	21,096	74,361
Aval and Acceptance Credit	75,030	27,242	-	-
Letters of Credit	-	3,518,443	166,509	109,130
Endorsements	-	-	-	-
Purchase Guarantees for Securities Issued	-	-	-	-
Factoring Related Guarantees	-	-	-	-
Other Collaterals and Sureties	2,130,750	704,351	-	-
<b>Total</b>	<b>8,237,757</b>	<b>6,020,721</b>	<b>187,605</b>	<b>183,491</b>

(\*) In addition to the non-cash loans stated in the table above, the Bank has non-cash loans amounting to TL 38,181 which is classified as total non-performing loans. As of 31 December 2023, the Bank has allocated provision amounting to TL 35,670 for these loans.

**b. Information on contingent assets and contingent liabilities:**

As of 30 September 2024, the total amount of the lawsuits brought against the Bank is TL 13,173 (31 December 2023: TL 10,957), and a provision of TL 7,600 (31 December 2023: TL 6,561) has been made in the financial statements of 30 September 2024 regarding the contingent matters.

**c. Brief information on the Bank's rating given by International Rating Institutions:****FITCH (17 September 2024)**

<b>Outlook</b>	Stable
<b>Long Term FC</b>	BB-
<b>Short Term FC</b>	B
<b>Long Term TL</b>	BB-
<b>Short Term TL</b>	B
<b>Support Rating</b>	bb-
<b>National Rating</b>	AA(tur)
<b>Viability Note</b>	b



**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(continued):****IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT:****a. Information on interest income:**

## 1. Information on interest income on loans:

	30 September 2024		30 September 2023	
	TL	FC	TL	FC
<b>Interest Income on Loans <sup>(*)</sup></b>				
Short-term Loans	4,018,701	289,671	1,370,167	395,488
Medium/Long-term Loans	4,500,876	1,045,417	630,112	660,755
Loans Under Follow-up	48,220	-	94,790	-
Premiums Received from Resource Utilisation Support Fund	-	-	-	-
<b>Total</b>	<b>8,567,797</b>	<b>1,335,088</b>	<b>2,095,069</b>	<b>1,056,243</b>

(\*) Includes fee and commission income related with cash loans.

## 2. Information on interest income on banks:

	30 September 2024		30 September 2023	
	TL	FC	TL	FC
From the CBRT	10,276	5,428	-	453
From Domestic Banks	273,615	4,076	41,145	3,905
From Foreign Banks	-	17,595	-	13,287
Headquarters and Branches Abroad	-	-	-	-
<b>Total</b>	<b>283,891</b>	<b>27,099</b>	<b>41,145</b>	<b>17,645</b>

## 3. Information on interest income on marketable securities:

	30 September 2024		30 September 2023	
	TL	FC	TL	FC
Financial Assets Measured at Fair Value through Profit/Loss	35,228	52,800	4,241	9,166
Financial Assets Measured at Fair Value through Other Comprehensive Income	1,014,534	113,455	283,480	28,864
Financial Assets Measured at Amortized Cost	1,920,270	214,851	935,826	133,745
<b>Total</b>	<b>2,970,032</b>	<b>381,106</b>	<b>1,223,547</b>	<b>171,775</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (continued):****a. Information on interest income (continued):**

4. Information on interest income received from investments in associates and subsidiaries:

	30 September 2024	30 September 2023
Interest Received From Investments in Associates and Subsidiaries	16	19,606

**b. Information on interest expense:**

1. Information on interest expense on borrowings:

	30 September 2024		30 September 2023	
	TL	FC	TL	FC
<b>Banks</b>	<b>8,161</b>	<b>1,291,911</b>	<b>1,328</b>	<b>555,626</b>
The CBRT	-	-	-	-
Domestic Banks	1,605	-	1,328	-
Foreign Banks	6,556	1,291,911	-	555,626
Headquarters and Branches Abroad	-	-	-	-
<b>Other Institutions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (*)</b>	<b>8,161</b>	<b>1,291,911</b>	<b>1,328</b>	<b>555,626</b>

(\*) Includes fee and commission expense related with cash loans.

2. Information on interest expense given to investments in associates and subsidiaries:

	30 September 2024	30 September 2023
Interest Paid to Investment in Associates and Subsidiaries	38,228	62,472

3. Interest expense on issued marketable securities:

None (30 September 2023: None).

4. Information on interest rate and maturity structure of deposits:

Current Period	Demand Deposit	Time Deposit						Total	Prior Period Total
		Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	Over 1 Year	Accum. Deposit		
Domestic Currency									
Bank Deposits	-	57,785	-	-	-	-	-	57,785	4,858
Savings Deposits	-	1,685,997	2,887,960	1,302,332	348,560	137,210	-	6,362,059	2,678,700
Public Deposits	-	-	-	-	-	-	-	-	6
Commercial Deposits	-	213,402	408,559	68,483	67,774	18,649	-	776,867	472,598
Other Deposits	-	577	1,571,646	25,107	287	-	-	1,597,617	476,801
7 Day Notice Deposits	-	-	-	-	-	-	-	-	-
Total	-	1,957,761	4,868,165	1,395,922	416,621	155,859	-	8,794,328	3,632,963
Foreign Currency									
Foreign Currency Account	-	16,279	89,677	10,658	843	5,155	-	122,612	180,626
Bank Deposits	-	10,889	-	-	-	-	-	10,889	9,351
7 Day Notice Deposits	-	-	-	-	-	-	-	-	-
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Total	-	27,168	89,677	10,658	843	5,155	-	133,501	189,977
Grand Total	-	1,984,929	4,957,842	1,406,580	417,464	161,014	-	8,927,829	3,822,940

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(continued):****IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (continued):****c. Information on trading loss/income (Net):**

	30 September 2024	30 September 2023
<b>Income</b>	<b>87,550,820</b>	<b>63,219,894</b>
Capital Market Transactions	472,862	434,731
Derivative Financial Transactions	1,530,500	1,354,778
Foreign Exchange Gains	85,547,458	61,430,385
<b>Loss (-)</b>	<b>87,206,860</b>	<b>62,042,436</b>
Capital Market Transactions	67,215	27,513
Derivative Financial Transactions	1,579,408	1,634,598
Foreign Exchange Losses	85,560,237	60,380,325
<b>Net Income/Loss</b>	<b>343,960</b>	<b>1,177,458</b>

**d. Information on other operating income:**

For the period ended 30 September 2024 and 30 September 2023, other operating income includes adjustments to previous years' expenses and other operating income.

**e. Expected loss provisions and other provision expenses:**

	30 September 2024	30 September 2023
<b>Expected Credit Loss</b>	<b>(256,348)</b>	<b>(1,161,444)</b>
12 Month Expected Credit Loss (Stage 1)	136,268	(148,127)
Significant Increase in Credit Risk (Stage 2)	28,073	962
Non-performing Loans (Stage 3)	(420,689)	(1,014,279)
<b>Marketable Securities Impairment Expense</b>	<b>-</b>	<b>-</b>
Financial Assets at Fair Value through Profit or Loss	-	-
Financial Assets at Fair Value through Other Comprehensive Income	-	-
<b>Investments in Associates, Subsidiaries and Joint Ventures Value Decrease</b>	<b>-</b>	<b>-</b>
Investments in Associates	-	-
Subsidiaries	-	-
Joint Ventures	-	-
<b>Other (*)</b>	<b>28,631</b>	<b>463,845</b>
<b>Total</b>	<b>(227,717)</b>	<b>(697,599)</b>

(\*) As of 30 September 2024, there is no free provision expense for possible risks. (30 September 2023: TL 462,976).

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (continued):****f. Information related to other operating expenses:**

	30 September 2024	30 September 2023
Provision for Employment Termination Benefits (*)	37,756	13,365
Bank Social Aid Pension Fund Deficit Provision	-	-
Impairment Expenses of Tangible Assets	-	-
Amortization Expenses of Tangible Assets	119,578	55,846
Impairment Expenses of Intangible Assets	-	-
Amortization Expenses of Intangible Assets	32,012	15,259
Impairment Expenses of Equity Participations for which Equity Method is Applied	-	-
Impairment Expenses of Assets Held for Resale	-	-
Amortization Expenses of Assets Held for Resale	-	-
Impairment Expenses of Fixed Assets Held for Sale	-	-
Other Operating Expenses	1,136,945	474,964
Leasing expenses related to TFRS 16 exceptions	14,613	8,269
Maintenance Expenses	5,687	3,491
Advertising Expenses	115,776	39,846
Other Expense(**)	1,000,869	423,358
Loss on Sales of Assets	361	52,570
Other	-	-
<b>Total</b>	<b>1,326,652</b>	<b>612,004</b>

(\*) As of 30 September 2024, Employee Vacation Fee Provision Expense is amounting to TL 14,131 (30 September 2023: TL None).

(\*\*) As of 30 September 2024, the "Other Expenses" item includes TL 308,145 Expenses Related to Banking Services, TL 149,514 IT Software and Hardware Maintenance Support, TL 81,001 Banking and Insurance Transactions Tax, TL 74,248 Savings Deposit Insurance Fund, TL 43,841 Call Center Service Expense, TL 30,704 Financial Activity Fees, TL 30,613 Online Information, TL 30,291 Security Service Expenses, TL 22,901 Cleaning Expense, TL 20,060 Other Communication, TL 19,660 Investigation, Research, Translation and Consultation, and TL 189,890 Other Expenses.

**g. Information on net income/loss before tax from discontinued and continuing operations:**

The Bank has no discontinued operations. The Bank's net in profit before taxes from continuing operations is TL 2,290,174 (30 September 2023: TL 2,527,300).

**h. Information on provision for taxes from discontinued or continuing operations:**

The Bank has no discontinued operations and the explanations below represent the provision for taxes of continuing operations:

**1. Information on calculated current tax income or expense and deferred tax income or expense:**

As of 30 September 2024, the Bank has TL 166,389 current tax expense and TL 377,923 net deferred tax income. As of 30 September 2023, the Bank has TL 47,763 current tax expense and TL 477,162 net deferred tax expense.

**2. Explanations on deferred tax income or expense arising from the temporary differences occurred or have been closed:**

The Bank has TL 665,821 deferred tax income from temporary differences. There is no deferred tax income arising from financial losses carried forward from previous periods. There is a net deferred tax income of TL 377,923 including TL 287,898 of deferred tax expense arising from the closure of temporary differences.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (continued):****h. Information on provision for taxes from discontinued or continuing operations (continued):**

As of 30 September 2023, the Bank has TL 216,508 deferred tax income arising from the occurrence of temporary differences. There is no deferred tax income arising from financial losses carried forward from previous periods. There is a net deferred tax expense of TL 477,162 including TL 693,670 deferred tax expense arising from the closure of temporary differences.

3. Information on recognition of deferred tax income or expense as of temporary difference, financial loss, diminution of tax and exceptions on income statement:

As of 30 September 2024, the Bank has TL 377,923 deferred tax income arising from temporary differences (30 September 2023: TL 477,162 deferred tax expense).

**i. Information on continuing and discontinued operations' current period net profit/loss:**

It has not been prepared in accordance with Article 25 of the Communiqué on Financial Statements and Related Explanations and Footnotes to be announced to the public by Banks.

**j. Information on net income/loss for the period:**

1. If the disclosure of usual banking transactions, income and expenditure items' composition is necessary to understand the annual performance of the Bank, the composition and amount of these items:

None.

2. If an estimation change related to financial statement items significantly affects profit/loss or has the probability of affecting the profit/loss of the following periods, the effect including these periods:

None.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****IV. EXPLANATIONS AND NOTES RELATED TO INCOME STATEMENT (continued):****k. Information on other income and expenses:**

1. In the current period, the Bank's interest income amounts to TL 21,047,599 (30 September 2023: TL 6,627,416) and TL 7,041,297 (30 September 2023: TL 1,858,722) of this amount is classified as "Other Interest Income" in the income statement.

	30 September 2024	30 September 2023
<b>Other Interest Income</b>		
Interest Income Related to Derivative Transactions	7,013,657	1,853,102
Other	27,640	5,620
<b>Total</b>	<b>7,041,297</b>	<b>1,858,722</b>

2. In the current period, the Bank's interest expense amounts to TL 18,720,894 (30 September 2023: TL 6,330,804), TL 6,965,717 (30 September 2023: TL 1,824,844) of this amount is classified as "Other Interest Expense" in the income statement.

	30 September 2024	30 September 2023
<b>Other Interest Expenses</b>		
Interest Expense Related to Derivative Transactions	6,774,791	1,682,815
Other	190,926	142,029
<b>Total</b>	<b>6,965,717</b>	<b>1,824,844</b>

3. In the current period, the Bank's fee and commission income amounts to TL 410,624 (30 September 2023: TL 790,272) and TL 290,491 (30 September 2023: TL 694,629) the related amount is classified under "Other" account in the income statement.

	30 September 2024	30 September 2023
<b>Other Fee and Commissions Received</b>		
Commissions on Investment Fund Services	69,155	13,096
Insurance Commissions	43,029	17,581
Early Closing Commissions	35,947	82,301
Credit Card and POS Transaction Commission	7,233	1,279
Commissions from Correspondent Banks	6,637	3,458
Transfer Commissions	1,024	805
Common Point Commissions	712	191
Other	126,754	575,918
<b>Total</b>	<b>290,491</b>	<b>694,629</b>

4. In the current period, Bank's fee and commission expense amounts to TL 115,194 (30 September 2023: TL 71,063) and TL 115,148 (30 September 2023: TL 71,017) of the related amount is classified under "Other" account.

	30 September 2024	30 September 2023
<b>Other Fee and Commissions Given</b>		
Card Transaction Commission	33,371	10,880
Commissions Granted to Correspondent Banks	8,506	5,275
Common Point Commissions	7,728	2,837
EFT Commissions	3,611	2,317
Transfer Commissions	331	285
Other	61,601	49,423
<b>Total</b>	<b>115,148</b>	<b>71,017</b>

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****V. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP:****a. The volume of transactions relating to the Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period:**

1. Prior period financial information is presented as at 31 December 2023 for balance sheet and 30 September 2023 income statement items.

30 September 2024	Investments in Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been Included in the Risk Group	
Banks' Risk Group	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	-	7,169	-	21,373	1,173	87
Balance at the End of the Period	-	27,177	-	64,305	734	87
<b>Interest and Commission Income Received</b>	16	63	-	3	276	1

31 December 2023	Investments in Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been Included in the Risk Group	
Banks' Risk Group	Cash	Non-Cash	Cash	Non-Cash	Cash	Non-Cash
<b>Loans and Other Receivables</b>						
Balance at the Beginning of the Period	20,825	15,466	-	17,225	828	87
Balance at the End of the Period	-	7,169	-	21,373	1,173	87
<b>Interest and Commission Income Received</b>	19,606	3,277	-	3	125	1

2. Information on deposits and repurchase transactions of the Bank's risk group:

Banks' Risk Group	Investments in Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been Included in the Risk Group	
Deposit	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Beginning of the Period	130,679	334,371	314,501	332,312	86,820	40,543
End of the Period	567,365	130,679	361,802	314,501	201,606	86,820
<b>Interest Expense on Deposits</b>	38,228	62,393	29,292	4,511	23,280	4,415

Banks' Risk Group	Investments in Associates, Subsidiaries and Joint Ventures		Direct and Indirect Shareholders of the Bank		Other Real and Legal Persons that have been Included in the Risk Group	
Repurchase Transactions	Current Period	Prior Period	Current Period	Prior Period	Current Period	Prior Period
Beginning of the Period	-	-	-	-	-	-
End of the Period	-	-	-	-	-	-
<b>Interest Expense on Repurchase Transactions</b>	-	79	-	-	32	4

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS (continued):****V. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP (continued):****a. The volume of transactions relating to the Bank's risk group, outstanding loan and deposit transactions and profit and loss of the period (continued):**

3. Information on forward and option agreements and other similar agreement with the Bank's risk group:

<b>Banks' Risk Group</b>	<b>Investments in Associates, Subsidiaries and Joint Ventures</b>		<b>Direct and Indirect Shareholders of the Bank</b>		<b>Other Real and Legal Persons that have been Included in the Risk Group</b>	
	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>
<b>Transactions at Fair Value through Profit or Loss</b>						
Beginning of the Period <sup>(*)</sup>	387,569	1,450,982	3,303,501	1,745,925	-	-
End of the Period <sup>(*)</sup>	1,124,121	387,569	-	3,303,501	-	-
<b>Total Profit/Loss</b>	<b>605,355</b>	<b>(388,522)</b>	<b>20,203</b>	<b>(62,114)</b>	-	-
<b>Transactions for Hedging Purposes</b>						
Beginning of the Period	5,227,289	3,659,119	-	-	-	-
End of the Period	2,310,124	5,227,289	-	-	-	-
<b>Total Profit/Loss</b>	<b>(134,028)</b>	<b>(638,062)</b>	-	-	-	-

<sup>(\*)</sup> The figures in the table above, show the sum of the "purchase" amounts of transactions.

**b. With respect to the Bank's risk group:**

1. The relations with entities that are included in the Bank's risk group and controlled by the Bank regardless of the presence of a transaction between parties:

The Bank performs various transactions with related parties during its banking activities, These are commercial transactions realised with market prices.

2. Along with the type of relationship, the type of transaction, the amount and its ratio to total transaction volume, the amount of significant items and their ratios to total items, pricing policy and other issues:

	<b>Total Risk Group</b>	<b>Share in Financial Statements (%)</b>
Borrowings and Subordinated Debt Instruments	12,667,219	39.44
Deposit	1,130,773	2.48
Non-cash loans	91,569	0.42
Banks and Other Institutions	47,164	2.92
Loans	734	0.00

As of 30 September 2024, the Bank has no realized interest income from deposits given to banks included in the risk group (30 September 2023: None). The Bank has realized interest expense amounting to TL 675,427 (30 September 2023: TL 456,722) on loans borrowed from the banks in the Bank's risk group.



**BURGAN BANK A.Ş.**

**NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS AND NOTES RELATED TO UNCONSOLIDATED FINANCIAL STATEMENTS  
(continued):**

**V. EXPLANATIONS AND NOTES RELATED TO BANK'S RISK GROUP (continued):**

**b. With respect to the Bank's risk group (continued):**

3. Information on transactions such as purchase-sale of immovable and other assets, purchase-sale of service, agent agreements, financial lease agreements, transfer of the information gained as a result of research and development, license agreements, financing (including loans and cash or in kind capital), guarantees, collaterals and management contracts:

Within the scope of Joint Expense Sharing Agreements made between the Bank and its subsidiaries; The Bank has other operating income of TL 2,069 (30 September 2023: TL 1,494) received from Burgan Finansal Kiralama A.Ş. and TL 3,909 (30 September 2023: TL 1,423) received from Burgan Yatırım Menkul Değerler A.Ş.

Within the limits of the Banking Law, it allocates cash and non-cash loans to the risk group that the Bank is included in, and this amount constitutes 0.12% of the Bank's total cash and non-cash loan amount (31 December 2023: 0.05%).

As of 30 September 2024, there are no purchase-sale transactions of assets other than real estate with the risk group that the Bank is included in.

As of 30 September 2024, there are no agreements related to the transfer and management of information obtained from research and development with the risk group the Bank is part of.

**c. Information on benefits provided to top management:**

The definition of key management of the Bank includes Members of the Board of Directors, General Manager and Assistant General Managers. The total of benefits provided to senior executives in the current period is TL 188,030 (30 September 2023: TL 69,339) and consists of annual gross wages and other payments and other benefits including road, meal allowances, health and life insurance and car expenses.

**VI. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS:**

None.

**SECTION SIX**

**EXPLANATIONS ON THE LIMITED REVIEW REPORT**

**I. EXPLANATIONS ON THE LIMITED REVIEW REPORT**

The unconsolidated financial statements as of 30 September 2024 have been reviewed by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the auditor’s review report dated 11 November 2024 has been presented prior to the unconsolidated financial statements.

**II. EXPLANATIONS AND NOTES PREPARED BY INDEPENDENT AUDITOR**

None.

**SECTION SEVEN****EXPLANATIONS ON INTERIM ACTIVITY REPORT****I. EVALUATIONS FOR THE OPERATING PERIOD AND EXPECTATIONS FOR THE FUTURE BY THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE GENERAL MANAGER**

Following a significant decline in global inflation, central banks in developed countries have started the process of interest rate cuts in recent months. This is viewed positively for the growth of the global economy and the growth outlook of Turkey's trading partners in the upcoming period. While there are differences between regions and countries, the global economy has shown resilience in a high interest rate environment. However, geopolitical developments, especially in the Middle East, the results of the U.S. elections and their global economic implications, and the development of the Chinese economy remain important factors.

Domestically, the effects of the tight monetary policy stance, supported by interest rates and credit growth limits, are being closely monitored. With an improving reserve outlook, a stable Turkish lira, and increasing investor confidence, the disinflation process is progressing successfully. As the credit ratings of our country and banks rise, the decreasing risk premium and growing investor appetite have enhanced the access to external financing for both the banking and real sectors. On the other hand, the tightening of financial conditions is being felt in economic activity. While contraction in the manufacturing sector becomes more pronounced, high funding costs and constraints on credit growth continue to put pressure on the banking sector's expansion and profitability. We believe that, to strengthen the disinflation process and ensure long-term financial stability, cautious policies must be maintained and supported by structural reforms. In line with these gains, we anticipate that, by 2025, the stance of monetary policy and regulations will be gradually eased.

In this challenging environment, we continue to manage our balance sheet effectively and successfully with a dynamic and agile approach, providing top-quality service to our customers for all their needs, and implementing our strategic investments in digital banking. As of 30 September 2024, the Bank's total balance sheet size has reached TL 100,769,024. The total net cash loans of the Bank have risen to TL 52,900,103, while total deposits amount to TL 45,674,266. For the third quarter of 2024, the Bank recorded a net profit of TL 2,501,708, and our equity has reached TL 9,583,186. Our capital adequacy ratio stands at 20.9%.

In the coming period, we will continue to provide high-quality service to our customers and offer uninterrupted support, maintaining our focus on digitalization through our investments, innovative products, and digital processes. Under the guidance of our shareholders and Board of Directors, we are progressing steadily towards the goals set for the Bank. On this occasion, we would like to express our gratitude to all our customers, employees, and investors for their valuable contributions, trust in the Burgan brand, and loyalty.

Ali Murat DİNÇ  
Member of Board of Directors and General Manager

Emin Hakan EMİNSOY  
Chairman of Board of Directors

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS ON INTERIM ACTIVITY REPORT (continued):****II. NAMES AND SURNAMES, DUTY TERMS, FIELDS OF RESPONSIBILITIES, EDUCATIONAL BACKGROUNDS, PROFESSIONAL EXPERIENCES OF MEMBERS AND CHAIRMAN OF BOARD OF DIRECTORS, MEMBERS OF THE AUDIT COMMITTEE, GENERAL MANAGER AND DEPUTY GENERAL MANAGERS AND MANAGERS OF DEPARTMENTS WITHIN THE SCOPE OF INTERNAL SYSTEMS:**

<u>Name</u>	<u>Duty</u>	<u>Date of Assignment</u>	<u>Educational Background</u>	<u>Banking and Managership Experience (Year)</u>
<b><i>Chairman and Members of Board of Directors:</i></b>				
Emin Hakan Eminsoy	Chairman	07.08.2019	Undergraduate	34
Abdelkarim A. S. Kabariti	Deputy Chairman	04.11.2021	Undergraduate	32
Mehmet Alev Göçmez	Member	23.01.2013	Graduate	33
Khaled F.A.O. Alzouman	Member	13.06.2019	Undergraduate	31
Hasan Kılıç	Member	10.06.2021	Undergraduate	32
Fadhil M. GH. A. Abdullah	Member	03.12.2021	Undergraduate	32
Samer Abbouchi	Member	25.09.2024	Graduate	21
Moustapha Chami	Member	15.06.2022	Graduate	19
Ali Murat Dinç	Member and General Manager	03.02.2014	Graduate	21
<b><i>General Manager:</i></b>				
Ali Murat Dinç	Member and General Manager	03.02.2014	Graduate	21
<b><i>Deputy General Manager:</i></b>				
Suat Kerem Sözüğüzel	Corporate & Commercial Banking	01.04.2014	Graduate	17
Zeynep Bozkurt	Financial Affairs	15.01.2021	Graduate	13
<b><i>Vice General Manager:</i></b>				
Esra Aydın	Operation & Management Services	01.08.2007	Graduate	16
Cihan Vural	Internal Systems	03.11.2008	Undergraduate	13
Rasim Levent Ergin	Employee Experience and Communication	01.11.2012	Graduate	17
Suat Kerem Sözüğüzel	Corporate & Commercial Banking	01.04.2014	Graduate	17
Banu Ertürk	Loan Follow-up and Legal Procedures	01.08.2020	Undergraduate	22
Darço Akkaranfil	Information Technologies	14.09.2020	Graduate	15
Zeynep Bozkurt	Financial Affairs	15.01.2021	Graduate	13
Ayşen Aslı Koçer	Savings Management	01.07.2021	Undergraduate	24
Yener Yazlalı	Loans	02.08.2021	Graduate	18
Halil Özcan	Digital Banking	21.02.2022	Undergraduate	14
Tuba Onay Ergelen	Risk Management	01.03.2022	Undergraduate	23
Erdal Arda Türerer	Treasury, Capital Markets and Financial Institutions	01.03.2022	Graduate	25

***Assignments:***

Samer Abbouchi has assigned to the role of Board Member as of 26 September 2024.

***Resignations:***

Board Member Mohammad M.A.H.S. Almael resigned from his position on 24 September 2024.

There is no share of the above individuals in the Bank.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON INTERIM ACTIVITY REPORT (continued):****III. INFORMATION ON ACTIVITIES OF COMMITTEES ESTABLISHED LINKED TO BOARD OF DIRECTORS OR IN ORDER TO ASSIST BOARD OF DIRECTORS IN THE FRAMEWORK OF RISK MANAGEMENT SYSTEMS IN ACCORDANCE WITH THE REGULATION ON CREDIT COMMITTEE AND INTERNAL SYSTEMS OF THE BANK AND NAMES, SURNAMES AND FUNDAMENTAL DUTIES OF CHAIRMAN AND MEMBERS ASSIGNED IN AFOREMENTIONED COMMITTEES:**

Emin Hakan Eminsoy is the Chairman, Fadhil M. GH. A. Abdullah and Ali Murat Dinç are members of the Board of Directors Credit Committee, and Khaled F.A.O. Alzouman and Abdelkarim A. S. Kabariti are alternate members.

Hasan Kılıç has been elected as the Chairman of the Audit Committee while Khaled F.A.O. Alzouman and Moustapha Chami have been elected as members of the Audit Committee.

Moustapha Chami has been elected as the Chairman of the Risk Committee while Hasan Kılıç and Mehmet Alev Göçmez have been elected as members of the Risk Committee.

Abdelkarim A. S. Kabariti has been elected as the Chairman of the Corporate Executive Committee while Emin Hakan Eminsoy and Ali Murat Dinç have been elected as members of the Corporate Executive Committee.

Abdelkarim A.S. Kabariti has been elected as the Chairman of the Appointment and Pricing Committee while Khaled F.A.O Alzouman and Moustapha Chami have been elected as members of the Appointment and Pricing Committee.

**IV. EVALUATIONS OF THE AUDIT COMMITTEE REGARDING INTERNAL CONTROL, INTERNAL AUDIT AND OPERATION OF RISK MANAGEMENT SYSTEMS AND INFORMATION ON THEIR ACTIVITIES WITHIN THE ACCOUNTING PERIOD:**

The principal duty of Burgan Bank A.Ş. Audit Committee is to provide assistance to the Board of Directors of the Bank in order to fulfil its supervision responsibility related to the Bank and its consolidated affiliates through examining financial information which shall be presented to shareholders, ensuring the effectiveness, adequateness and efficiency of internal systems established by the management and Board of Directors and monitoring audit process. There is no change in the period related to activities of the Audit Committee.

**V. SIGNIFICANT EVENTS AND TRANSACTIONS WITHIN THE PERIOD:**

There is no significant change related to information except the explanations including numeric disclosures in financial statements included in the annual activity report prepared in accordance with the Regulation on Procedures and Principals related to Preparation and Publication of Activity Report.

**BURGAN BANK A.Ş.****NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS ON INTERIM ACTIVITY REPORT (continued):****VI. SUMMARY FINANCIAL INFORMATION RELATED TO ACTIVITY RESULTS OF ACCOUNTING PERIOD:**

	30.09.2024	31.12.2023	Change (%)
Total Assets	100,769,024	80,441,547	25.27
Loans (Net)	52,900,103	45,058,224	17.40
Securities (Net)	23,864,851	13,483,430	76.99
Deposits	45,674,266	40,678,765	12.28
Debts Having Loan Characteristics	37,632,387	23,009,861	63.55
Shareholder's Equity	9,583,186	7,389,677	29.68
Guarantee and Warranties	21,583,697	14,667,755	47.15
Capital Adequacy Ratio	20.90%	22.36%	(0.01)

	01.01.2024 30.09.2024	01.01.2023 30.09.2023	01.07.2024 30.09.2024	01.07.2023 30.09.2023
Current Period Net Profit/(Loss)	2,501,708	2,002,375	700,386	777,388

**VII. DISCLOSURE RELATED TO PERSONNEL AND BRANCH NUMBER, SERVICE TYPE OF THE BANK AND ACTIVITY SUBJECTS AND EVALUATION OF THE POSITION OF THE BANK IN THE SECTOR BASED UPON AFOREMENTIONED ITEMS:**

The Bank provides high value added banking services and products in corporate, commercial, individual, financial leasing with private banking and via factoring and associates and investment banking areas with a total of 28 branches, including 7 retail, 1 corporate and 20 mixed banking branches, internet banking applications, call center and 1,260 employees.

Indicators related to shares of the Bank in the sector with respect to base quantities are as follows.

Million TL	Burgan Bank	Sector (*)	Share of our Bank (%)
Cash Loans	50,114	15,014,391	0.33
Customer Deposits	43,912	17,835,273	0.25
Branch Number	28	10,877	0.26
Personnel Number	1,260	208,548	0.60

(\*) The source is BRSA data dated 30 September 2024, and rediscount and accrual amounts are not included in the balance sheet items.